

The Assembly met at 10 a.m.

Prayers

PRIVILEGE

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

Mr. Aldridge: — To raise a question of privilege, Mr. Speaker.

The Speaker: — The hon. member for Thunder Creek has, as required by rule 6(1), advised the Speaker two hours in advance of the sitting of the House that he intends to raise a point of privilege. He's met that requirement and I'll ask the hon. member for Thunder Creek to put his point of privilege.

Mr. Aldridge: — Mr. Speaker, I rise on a point of privilege.

Mr. Speaker, recently it came to my attention that the Conflict of Interest Commissioner, who albeit is an officer of this Assembly, serves as a director of Extencicare. That company, Mr. Speaker, is a co-owner of Crown Life with HARO Financial Corporation, a company majority owned by this government. Extencicare, Mr. Speaker, benefits significantly from that relationship.

Mr. Speaker, it's widely known that I both questioned and criticized the matter of government involvement in Crown Life. The company, on whose board of directors the commissioner serves, openly criticized my position, as did Crown Life.

Mr. Speaker, on an annual basis, like other members of this House, I must file with the commissioner a confidential disclosure statement regarding my financial affairs and those of my family. From that disclosure statement, the commissioner in turn prepares a public disclosure statement. In addition, the commissioner advises MLAs (Member of the Legislative Assembly) and may also conduct investigations and inquiries regarding members as allowed by the Act.

Mr. Speaker, the matters I must place before the commissioner are of a sensitive nature to the well-being of my family. In order to fulfil my duties as a member, I must be assured beyond all doubt that the commissioner will treat any matter relating to myself with complete impartiality. The commissioner's duties beyond this House leave this in doubt. This situation, Mr. Speaker, is a breach of parliamentary privilege as it impairs my ability to fulfil my duties.

Mr. Speaker, I await your ruling.

The Speaker: — Order, order. Order. The Chair is willing to consider other comments related to the member's breach of privilege if other members wish to put them on the record.

Hon. Mr. Shillington: — Now I have a couple of comments to make, one of which is, Mr. Speaker, I think you've ruled on this matter. I think we've had this matter aired and it was determined that this is not a breach of privilege.

Secondly, I want to point out what I think is obvious to most, and that is the most . . . (inaudible interjection) . . . as someone

chimes in, and that is that the fact that a person is on a board of directors of a company which owns shares in another company, scarcely puts him in a conflict of interest. That is a very distant relationship.

I think it really is incumbent upon the member opposite to bring forth some credible evidence of a conflict of interest, rather than simply repeat a worn out and tired allegation. I really think it's incumbent upon the member opposite to provide you and the Assembly with some evidence of his charge.

And if he has no evidence of his charge — and none was provided this morning — then I think the appropriate disposition for you, Mr. Speaker, is to dismiss it forthwith, rather than have the name of a legislative officer dragged through the mud once again on the same issue as was before.

It seems to me, Mr. Speaker, unfair to a legislative officer to have this matter repeated twice. Surely there is a principle that everyone is tried once. He was tried. He was found to be . . . was found to be without substance. The member simply repeated the same allegation in a different process. Surely an officer of the legislature is entitled to some protection, but surely he's entitled . . . (inaudible interjection) . . . surely — as someone has said — surely he's entitled, if his partiality is going to be drawn into issue, surely he's entitled to have some substance to the allegation.

This is simply a tired repetition of something that was said before. I really urge you, Mr. Speaker, to come to the defence of legislative officers and just dismiss this here and now. It really is unworthy. It's unworthy of this Assembly and it is most unfair to a legislative officer to have this thing repeated a second time with no more substance to it than was apparent the first time.

The Speaker: — Order. Order.

Mr. McPherson: — Thank you, Mr. Speaker, and as soon as some of these children come to order then we'll continue.

Mr. Speaker, the disappointing part on the Government House Leader's comments were the fact that he didn't follow what the point of privilege was this morning. It is not on the same point of privilege as of the other day.

An Hon. Member: — Exactly the same.

Mr. McPherson: — Well it is not. And if you would follow along for once, you would . . .

The Speaker: — Order. Order. All hon. members of the House will come to order. And I will ask all hon. members, in putting their remarks on this point of privilege, to direct their remarks directly to the Chair. There is only one appropriate place to direct these remarks, and it's through the Chair.

Mr. McPherson: — Mr. Speaker, the other day the apology was made because of statements made in the House in regards to an officer of the legislature. Today's point of privilege

clearly states yet something different. And I wish the Government House Leader would follow along and see what the point is.

The Speaker: — Order. I have listened carefully to the remarks made by the hon. member for Thunder Creek in putting his point of privilege, and I thank the hon. member for providing me the notice in advance of his intent to do that, in explaining his case there.

I also listened carefully to the remarks made by the Government House Leader and by the House Leader of the official opposition. I will want to further reflect on the remarks that have been made on the record and to review *Hansard*, and will take them into consideration and bring a ruling to the House.

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

General Revenue Fund Social Services Vote 36

The Chair: — Order. I will ask the members to come to order. Order. I would ask the members on both sides of the House, if they have conversations, to walk around and talk to each other rather than holler across the House. The committee will come to order, please.

If the minister has any new officials that he would like to introduce I would ask him to do it now, please.

Hon. Mr. Calvert: — Yes, Mr. Chair. Again we're joined by Mr. Con Hnatiuk, Mr. Neil Yeates, Mr. Bob Wihlidal, from the Department of Social Services to assist us in our deliberations.

Item 1

Mr. Toth: — Yes, thank you, Mr. Chairman. Mr. Minister, I noticed that your department does help individuals who, through no fault of their own, end up with a disability. And I think under community living, I notice you provide services above some \$51,000 and support services to disabled persons.

And the reason I bring this up is because I've had a couple people in the last few years that have had some real concerns and been seeking some assistance. And I'm wondering, Mr. Minister, first of all can you give us some idea of the type of services that are provided and then I'll get into some other questioning that I have regarding these services.

Hon. Mr. Calvert: — Mr. Chair, essentially the kinds of work that we do would be early intervention programs for children, support to families with disabled children, and the largest component would be the community living division which is support to group homes for living accommodations.

(1015)

Mr. Toth: — Mr. Speaker, the reason I raise it is, and the reason I'm asking this question, because of a couple of

individuals who have ended up with a very disabling disease that has taken them from, if you will, the prime of life and the ability to provide for themselves to a point that they're into wheelchairs and in some cases just can't even look after themselves. And the disease is multiple sclerosis.

And I wasn't really aware of the problems that that disease brings to a person until close friends ended up with it — one person who is just totally dependent on other people now. And the unfortunate part, Mr. Minister, is her family is expected to really do all the caring for her. And the things that was originally asked for from the government, and I believe it came to your department — and not to you specifically as minister; I believe in this case it was a different minister — but it was for some assistance in providing wheelchair accessibility to homes. Because a lot of these individuals would not have access to that. And all of a sudden you have to update your home or update access to washrooms.

And I was just wondering, Mr. Minister, does this fall under your purview, your department? Is there assistance in that manner for people such as the individuals in this situation where they find themselves looking for and needing some help? They just all of a sudden are put in a position where they've got a medical cost on their shoulders, of the cost of the drugs that are involved and trying to slow down the ravages of multiple sclerosis in their life — how it takes away their ability to even function. And then on top of it, trying to have some resemblance of a quality life.

And, Mr. Minister, does your department do anything to assist in these matters, and what level of support could a person achieve or expect to receive?

Hon. Mr. Calvert: — Mr. Chair, through the Department of Social Services we do provide income support through the social assistance plan. And under the social assistance plan there is coverage for drug costs for those who have drug needs and whose income is low and therefore can qualify for social assistance.

Other supports for the physically disabled come from other areas of government. When the member asks of wheelchairs, that kind of equipment that may be required, that is available through the Department of Health, the SAIL program — Saskatchewan Aids to Independent Living. And there have been . . . in both federal and provincial levels of government there have been programs, for instance for home modification, that sort of thing. These fall outside the jurisdiction of course of Social Services.

Mr. Toth: — Thank you, Mr. Deputy Chairman, Mr. Minister. Mr. Minister, when it comes to support, and in one case in particular, a situation that has come to my attention, Mr. Minister, is the fact of one couple . . . one individual where the spouse . . . the husband is trying desperately to continually provide for his wife, and it's created a rift in the home, as I understand it right now.

What I found, Mr. Minister, is unfortunately that while the community has endeavoured to help as much as possible, they have found that they have had very little support from the broad

community, such as Social Services. And even in this case, unfortunately this matter also moves into the area of the Department of Health — and I'm not asking you to answer on behalf of the Department of Health.

But you talked about support for medication. The other concern I do have, Mr. Minister, is when you look at support for medication — and this is one of the big questions that has been raised — the fact that this couple happen to be on the farm and because there's a lot of assets involved here, Mr. Minister — a lot of assets that aren't necessarily liquid assets . . . it's assets that you need to continue to operate and function on a farm, and yet they're all taken into account. Even though the net return or income from that farming endeavour may be quite low, these assets come into play, which means they do not get a lot of support.

I'm wondering, Mr. Minister, what are the criteria you look at, and do we continually use assets that a person has built up as a means of disposable income that's available and yet cannot be just turned into cash, otherwise it takes away your ability to provide for yourself. Can you just expose . . . or give us a little more detail on that matter, Mr. Minister?

Hon. Mr. Calvert: — Mr. Chair, it's difficult to comment generally because each and every individual and family circumstance may be different. How our income support system works of course, is that we will set on one side of the equation the needs of the individual or the family, and the other side of the equation the income. Part of that income may be based on assets. If one has some investments or so on that produce income, they're obviously considered part of income.

In each case there is a review; it's an individual review of the asset base. It is recognized and in some cases assets are not liquid. And for instance a home would not be considered a liquid asset; that's your place of residence and so on. So it's difficult to comment generally. Assets that produce income, clearly are income generating, and would be considered as part of your income. Assets that are necessary for daily living, I think would not be considered. But if there is an individual case the member would wish us to have a review of, we'd certainly do that.

Mr. Toth: — So just for clarification, Mr. Minister, so that I don't give up the opportunity to at least raise the question with the proper department. Your department then does help if a family finds themselves in some form of assistance because of some disabling disease that may have hit. If it's a single person or in this case, like a couple of cases that have been brought to my attention, where their family situation . . . where it's taken basically one of the major breadwinners out of the home or the ability to provide, your department does get involved to a degree.

And the other question, when it comes . . . and I ask that specifically when it comes to the drug costs because of the fact that they are one of the major costs. Now is your department involved somewhat in providing some assistance as a result of the loss . . . yes, the loss of income and the fact that the net income is really driven down because of the drug cost, or would most of that be involved in the Department of Health, Mr.

Minister?

Hon. Mr. Calvert: — Mr. Chair, what would happen — if an individual or a family qualifies for social assistance, what would happen is — that if once determined they qualify, then they are recommended by the Department of Social Services for special drug coverage. That recommendation is then to the Department of Health. The Department of Health understandably manages the drug plan and all of the drug coverages. There are a variety of coverages available through the Department of Health and the Department of Health would sort out which plan or which coverage is appropriate for the individual.

What happens is, if the individual or family meets the criteria to receive social assistance, then they are automatically recommended for drug coverage.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, I've been sitting here and I realize there's kibitzing back and forth across the floor. Maybe if we were talking directly across to each other we could hear a little easier.

The other question I would like to get into, and an area of debate that I would like to enter into, Mr. Minister, is regarding the support for individuals — handicapped individuals in the province. And certainly I'm pleased to see in my constituency, over the period of the last 10 years or so that I've been involved in public life, we've been able to establish some group homes in the area, in Kipling and in Moosomin, and I know there are a number of others around the province.

And I'm wondering, Mr. Minister, how many group homes are there in the province that you are involved with and how many clients would this entail?

Hon. Mr. Calvert: — Mr. Chair, we, through the department of services fund 59, a total of 59 separate agencies across the province who will be providing group home accommodation — 59 agencies. We do not have . . . because some of the agencies will provide several group homes in a community. For instance, I see Chip & Dale Housing here in Regina. They will have several group homes.

But there are a total of 59 separate agencies providing group homes across the province. And this is a fairly broad and has been an expanding network of group homes over the last couple of decades and we think each of them are providing a very valuable service. This is in conjunction of course with the Valley View Centre in Moose Jaw, which continues to provide the institutional, residential institutional care when that is required.

But there are now 59 agencies providing group homes.

Ms. Julé: — Thank you, Mr. Chairman. Mr. Minister, I would like to ask you what the . . . I understand that there is rate of payment for transportation costs of people associated with community living, clients associated with community living that live outside of a major centre. If these individuals are transported to that centre, for instance in the case that I have been speaking to you about in the last while, I want to know

whether or not there's a regular rate of payment for transportation of individuals to and from a centre.

Hon. Mr. Calvert: — Mr. Chair, the member and I have had some fruitful, I think, discussions about this issue although we've not yet come to any resolution. The current rate, I think we both have come to understand is 15 cents. We know that there may be some . . . we need to be looking at this issue. I think I've said that to the member privately and I say it here publicly, that we need to be looking at this issue, both in terms of how this works when there's one person being transported or if there's two people being transported and the number of trips per day and so on. But currently the specific answer is 15 cents.

Ms. Julé: — Thank you, Mr. Minister. Mr. Minister, through some information I have given you, there has been some indication that there's a variance in the rate of payment for transportation depending on who the client is or where they're coming from.

I find this variation in rates to be a little disconcerting. It is really difficult for me to believe that your government is in fact trying to keep young people that are handicapped at home with their families, as you have stated in your mandate, is what you would like to see. That is becoming more difficult for people when they cannot be paid for transportation costs to and from a centre like Saskatoon.

And when the suggestion has been to them that they have to move into Saskatoon, and that might be the only option, it seems to me as though that's separating the client from their family and is not very healthy as far as their mental well-being would be.

So I would certainly hope that we would end up having, from your department, some sort of stabilization and a standardization of rates paid out to anyone transporting these clients to and from centres. I will leave it at that, Mr. Minister, and I hope to hear from you as soon as possible on this matter.

Mr. McLane: — Thank you, Mr. Chairman. Mr. Minister, just a couple of brief questions regarding your policy on assistance for adults that are furthering their education, in particular through community college. If there is indeed a policy in place that lays out the groundwork for people that are furthering their education through community college in terms of assistance to them while they're on the plan as opposed to them taking out student loans, how is it decided who gets the assistance? Is everyone asked to take student loans? What are the qualifications and those types of things in that area.

Hon. Mr. Calvert: — Mr. Chair, again I would remind the member, we see social assistance to be that income support of a last resort, and so we would require that individuals utilize all of their own sources of income and resources, and that would include student loans.

If in the event that the resources personal are not available or that a student loan was not available or they were not eligible, that we would support someone through that education process if the education process is designed to produce . . . at the end of it, that it has a plan that would lead to employment. In that circumstance where there's a plan that would lead to

employment, we will support the individual.

(1030)

Mr. McLane: — Thank you, Mr. Minister. There seems to be some confusion. My office has made contact with yours, with the department, many times over a particular issue and how support was granted to some individuals and not to others. It seemed to me then in the situation that we looked at is that people that agree to take these student loans have to take them. Those that say no are then granted some assistance. I'm just wondering if there's any consistency here.

And I guess I would ask you here publicly, in front of the people of Saskatchewan, if you would look into this matter to ensure that fairness is being afforded to everyone, and in particular to this situation of a constituent of mine. And if you'd like further information feel free to contact my office and I'll provide it for you. But I do hope that you will look into this and ensure that there is fairness across the piece for everyone involved.

Hon. Mr. Calvert: — Mr. Chair, we sincerely believe that we do have a system which is fair and consistent. It does take account of individual circumstances, and so I would appreciate it if the member would send the detail over of that particular case and we'll certainly have somebody have a look at it.

Mr. Toth: — Thank you, Mr. Deputy Chairman. Mr. Minister, before I gave the members from Humboldt and Arm River the opportunity to enter into the debate, as they had asked for some time, we were discussing group homes. And you had indicated to me that there were 59 agencies, and I take it when you talk . . . If I understood you correctly you mentioned 59 agencies. Would that be groups or organizations that basically manage these group homes? And if you will, that 59 agencies then doesn't necessarily mean 59 group homes.

I look at the community of Moosomin. I believe there's two group homes specifically in that community. So I'm taking from the information you gave me that we actually have a lot more, many more group homes than the 59 agencies. And I'm wondering if you could give me an idea of how many group homes are involved here. Would you have that number with you, Mr. Minister?

Hon. Mr. Calvert: — Mr. Chair, our quick calculation here, looking at our list, would be that there are 101 individual group homes, and they will be administered by the 59 separate agencies.

Mr. Toth: — And would you have a number of the individuals that would be involved in living in or being accommodated by these group homes, Mr. Minister?

Hon. Mr. Calvert: — Mr. Chair, the answer would be, and it's not exactly precise, but approximately 700 individuals.

Mr. Toth: — Thank you, Mr. Deputy Chair. Thank you, Mr. Minister. Mr. Minister, the reason I raise this — and certainly it's been something that's been on my mind and I've been involved with for the last 10 years — and I look at what's

taking place in the community of Moosomin; I take a look at what's happened in the community of Kipling, and I see that because of the caring of a lot of individuals . . . and I know that any of the communities I visited where they do have care homes and where they do have Kin-Ability centres, we have given a sector of our society an ability to feel good about themselves and the fact that they are involved in projects that they can perform services in, or they can do work in, where they actually are receiving something and become, if you will, more members in our society rather than just individuals who have been basically, for a long period of time, if you will, housed in institutions where they were not even involved and really didn't have much of a livelihood.

And I want to thank the people across this province who have . . . and the many volunteers who actually work so diligently to get some of these group homes up and running, or our Kin-Ability centres.

And with that, Mr. Speaker, I want to raise the question of the Kin-Ability centres. How many would there be in this province and are there other centres such as the Kin-Ability centres where individuals with disabilities or handicaps are able to go and work and, if you will, provide for themselves? And as well, Mr. Minister, what involvement does Social Services have in the everyday well-being or livelihood of individuals involved in these types of services?

Hon. Mr. Calvert: — We have a close involvement with the various activity centres across the province. One of the major involvements of course is financial, and we contribute significant amounts of money to these centres.

There are, for the member's interest, 36 separate centres across the province, 36 in number. We provide to those 36 centres support to their boards, advice, encouragement, policy shaping and so on. We provide referrals to the centres. And by way of budget support, we provide . . . have budgeted for this budget year, \$8.8 million, which in fact is an increase over the budgeted amount last year.

So there's 36 of these activity centres. Our financial support of the centres is now \$8.8 million.

Mr. Toth: — So with this funding, Mr. Minister, this funding is directly to the centres, or is any of this funding given to the clients? I guess what I'm coming to, is the fact that we do have support. You had mentioned a number of areas where you are involved and where you offer some support, even in the administrative level, and offering ideas of how to provide services. But I'm also, I think, aware of the fact that many clients involved in these centres and living in group homes are supported through Social Services. So I'm wondering, is this a separate amount of money going to the centres, versus the amount of money that clients would get being supported directly by Social Services?

Hon. Mr. Calvert: — For the most part, Mr. Chair, the budgeted amounts I spoke of go to the operations of the centres. Now there is a caveat here, in that the list of 36 which I mentioned will include what are sometimes described as the sheltered workshops where individuals will receive payment for

working in that facility.

Some of this funding therefore may come to clients through their payments through the sheltered workshop, but the bulk of the money here is just to provide for staff and the overheads of these centres.

Mr. Toth: — Thank you, Mr. Minister, and as we were talking about the sheltered workshops, when it comes to I guess . . . the understanding I would like as well and the question that was just been raised is, what level of . . . For individuals working in sheltered workshops, and you mentioned that some of the funding comes by the work in the workshops, but I guess the question I would like to know is, individuals who are involved in sheltered workshops — and in most of these cases they live in the group homes in our communities — are they totally supported by social assistance or do the workshops derive some revenue whereby they then help supplement some of the support for these individuals? And if so, how much would that be?

Hon. Mr. Calvert: — Mr. Chair, yes. In some of the workshops in fact there will be revenues generated through the projects undertaken by the workers in the workshop. And those monies come back into the workshop and hence become part of the wage subsidy for the individual. So there is that route.

If I may say, in my own circumstance of Moose Jaw, with Moose Jaw Diversified Services, they produce some very, very high quality, very high quality product in a variety of ways. So yes, that money does come back into the system.

And we're looking at, we're looking at in the whole redesign package, to . . . as we talk about working income supplements, generally for people who are able to access through employment, we want the same kinds of things to be happening for the people in our sheltered workshops so that they too, and the workshops themselves, can find reward in initiative.

Mr. Toth: — Thank you, Mr. Minister, because I've noticed, even just what I've seen in our case, certainly that there's some very good quality workmanship goes into a number of the projects.

I am also aware of the fact that SARCAN is involved in both the workshops in Kipling and in Moosomin, and through the recycling of paper and recycling of cans and some plastics . . . but there are a number of plastics that aren't involved in any recycling projects, Mr. Minister. And I'm wondering if you could indicate why there would be certain plastics that would not be recyclable, or if that is an area that kind of overlaps between Environment and the sheltered workshops we're talking about in SARCAN?

Hon. Mr. Calvert: — Mr. Chair, my officials are quick to assure me they are not well advised on the technical aspects of recycling of plastic, and I think the member would know that any technical questions in that regard would be well answered by the Department of the Environment who works much more closely in these areas.

But I can assure the member, because we do have an interest in — of course we have an interest — in SARCAN, that there are

discussions ongoing, discussions between SARCAN and the Department of the Environment on future opportunities for recycling, because they not only benefit, these opportunities not only benefit the environment, but through SARCAN have come to benefit individuals and communities.

So the discussions we know are ongoing between Environment and SARC (Saskatchewan Association of Rehabilitation Centres) about new products that may or may not be able to be recycled.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, there is an area that has been raised with me and brought to my attention. And I'm not exactly sure the level of support that may come from your department, but I've had some complaints raised by individuals with regards to the ongoing work in some of the centres.

And I don't want to get into some of the personal aspects of it, but what I'm just wondering, Mr. Minister, is there a policy within the department when it comes to say sheltered workshops and how they're run? The fact that you fund some of these and there's some funding to them, and you offer support and offer ways of how to manage or operate, if there would be a complaint from an employee in any of these centres or one of the individuals who have clients who happen to be involved, who would they go to and what would be the process that they would follow if they feel that there are areas that . . . they have questions they have and they feel that they haven't really been getting any solid support or haven't been heard by, say, the board of directors that was involved in the area, Mr. Minister.

Hon. Mr. Calvert: — We would of course, Mr. Chair, if an individual has a concern about his or her own experience within the SARC depot or the sheltered workshop, if that individual has a concern, we would certainly be more than happy to try and assist with that concern. The route that we would most likely take . . . we have an ongoing and good working relationship with SARC, the Saskatchewan Association of Rehabilitation Centres, which is the umbrella organization, we have a good working relationship there. We could bring the concern to that table or to that forum.

If that wasn't the appropriate thing, what we would very often do is either through an individual social worker or someone assisting in another office of the department, or the MLA or minister's office, would make likely some contact with the executive director at the local level. If that didn't have opportunity to resolve the situation, then likely what we would do is finally then go to the individual community board that operates and work on behalf of the person, understanding that there is always usually in every case several sides to a story and we would try and sort it out.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, just a couple of questions regarding the welfare reform program. Unfortunately you had another commitment yesterday and were not able to remain for some of the debate on that, and I'm not sure I felt all that comfortable with the pinch-hitting that was done by the Government House Leader. And so I'd like to talk to you directly, as I think, Mr. Minister, this welfare reform is something that has been on your mind and you've really got

into.

I would like to know exactly — well as much as possible, Mr. Minister — where we are today in regard to some of the proposals you have talked about, that you've been doing some consulting with interested groups and the public throughout Saskatchewan and what your views are as to how the department of welfare, or Social Services, can be reformed so that it is more accountable and, if you will, meets more directly the needs of individuals who would come to the department for assistance as well as just being accountable to the general public and the taxpayer and that. I'd like to kind of hear exactly your views on that reform process that is under way at the present time.

(1045)

Hon. Mr. Calvert: — Mr. Chair, it would not be my premiss to start a redesign of social services in the province, that the system we have can, in some ways, be described as unaccountable to the taxpayer. It is a system actually that has some very significant accountability measures within, and when the Provincial Auditor and others have reviewed the system from a financial point of view, they find it to be a very accountable system.

The question in my mind is more a question of, and I use the word, responsibility: does the current system have the ability to respond to the circumstances that we find ourselves in today? That's how I define responsibility — the ability to respond.

Does it, number one, the current system, respond to the needs of the poor in our communities? Does it respond to the needs of children living in poverty in our province?

And equally, does it provide opportunity for the poor and the struggling and those who seek to improve their lot in life? Is it responsible to them? Does it allow them the ability to respond to their circumstances?

Now in essence, our redesign proposals and our goals stem from the fact that our system today is about 30 years old, designed essentially in the '60s. And as all will recognize, we live in a world that is significantly different than it was in the 1960s. We live in an economy that's significantly different. We have a rapidly changing demographic in our province. The world is in many ways, is different than the 1960s. In this regard, our system has not the ability to respond as once it did.

Equally we've, over the years, we've evolved in our social assistance program what I view as disincentives for individuals to seek and find their own independence from the system.

And so in our redesign, we've subtitled the document — and I'm sure the member has seen the redesigned proposal document — we have subtitled the document, *Supporting Independence*. We seek to redesign social assistance so that it provides for the need when the need is there, but it also is a system that can provide a support for independence from that system — a move back into independence, a move back into employment, a move back into the dignity that comes from independence.

This is the fundamental direction that we're trying to follow. It's a different direction than is being followed in other jurisdictions. But we believe in the long run this is the direction that will recognize the dignity of individuals, the importance of families; will support people to move to independence while at the same time recognizing that we have great needs in our communities, great needs in our province, particularly among children, and how can we best meet those needs.

Mr. Toth: — Thank you, Mr. Minister. I think as some of our discussion over the last few weeks regarding Social Services and some of the areas that were raised . . . Even in the last session, Mr. Minister, I've encouraged your government to take a serious look because of the fact, some of the points you raise, that the public out there certainly want to know what the . . . whether or not the department is accountable with regards to their tax dollars. And we had a bit of discussion the other day.

The other major concern and the major . . . the issue before us is the fact that in all of the discussion and the debate, are we addressing . . . or have you got some proposals or ideas whereby an individual who is on a very fixed or low income, or the opportunities for work really leave that person with an income that is barely sustainable, Mr. Minister, are you seriously looking at something that would be something like an income support program versus just saying to that individual, well I guess if you can't make it there, then I guess you'll have to quit your job and come and work . . . come and apply for assistance and we'll provide for you? Where is that discussion going and what have you received to date as far as support or input from the public in regards to something along that line?

Hon. Mr. Calvert: — Mr. Chair, the response to our redesign paper has . . . even in my most optimistic thoughts before the paper was released, I did not anticipate the kind of positive response that we've had to this paper. I think now we've gone through three, three if not four, separate printings of the document. There has been significant community interest in this. It has not generated of course the kind of wide public or highly publicized debate but there has been very significant interest in the redesign proposals.

I have been able, over the last few months, to contact and meet with, approximately now, 250 separate groups and their representatives, agencies, and so on. We've now distributed in the neighbourhood of 15,000 copies of the redesign proposal. And the redesign proposal has been accompanied with a survey questionnaire and it invites comment, and we've just received literally hundreds of these back.

The response generally, I can report to the member, to the various proposals has been very positive. The questions that are commonly asked are more of the detailed nature — how can these proposals, how can these programs, be actually put into place and how can they . . . and what would be the detail and so on? That's the kind of level of discussion we're moving to now.

While we have been debating the redesign proposals provincially, we have in some ways captured some national attention around these proposals. And given that kind of national attention from other provinces and now from the

federal government, and through the work of our Premier and other western premiers, we are in fact advancing some of the ideas here and some of the concern they reflect, onto the national agenda.

And I for one . . . and I know we all in this legislature, I think, can be very pleased that at the upcoming first ministers' meeting there will in fact be discussion about the social safety net across Canada, a discussion which has been led by our Premier, placed on that agenda by this province. There will be discussion around the social safety net, and key to that discussion will be a proposal that is reflective of what's in our own redesign proposals, and that is the concept of a child benefit.

We indicated from the beginning of our proposals that we believe a mechanism to provide for independence for families, to prevent families from in fact getting into the welfare system, and to address the issue of child poverty in our province, would be the crafting and creation of what we described as the Saskatchewan child benefit.

That discussion has now in some ways elevated, or expanded is perhaps better said, to a discussion now about a national child benefit, a national child benefit to meet those same kind of goals in Saskatchewan — that's to address child poverty and to move families and individuals to independence and support the children of this province and the children of the nation.

So in fact this has expanded now to where even in my most optimistic moments when we initiated the process, I didn't believe what happened. There's still much to do, but I'm confident now.

And I noted remarks made by the Prime Minister of Canada very recently, in the current week, in which he said to — I have it with me — in which he said to the Ottawa-Carleton Economic Development Corporation in an address . . . this is the Prime Minister's address from June 18. He said, and I quote:

The western premiers at their recent conference recommended we agree on a national goal to reduce child poverty. I agree (indicates the Prime Minister) and I hope all first ministers will agree.

One idea the western premiers are proposing (and this is the idea that came from the Premier of Saskatchewan that is described in our proposals for a redesign of social assistance) is a national child benefit that would integrate all the existing federal and provincial programs that support low income families. This is worth a serious discussion. I hope we can mandate ministers to get to work now on finding concrete ways to reduce child poverty in Canada.

Mr. Chair, in my view that is a very significant step forward in terms of setting a national agenda that can, one, draw our country together and also achieve what I think are the goals we commonly share, and that's to lift particularly children in our country up from poverty.

The proposals that the member talks about and we're talking about now have also been recognized very, very recently in some of the national newspapers. I know *The Ottawa Citizen* many months ago spoke of Saskatchewan's proposal as being one that can lead the nation. In a Monday article from this very week in Ottawa, *The Ottawa Citizen* has an article which begins with the sentence:

Saskatchewan Premier Roy Romanow is breathing fresh political life into the most promising idea to emerge in years, a national child benefit.

And so while we've still got much work to do in all of the proposals that we advanced here, we see the proposal now of a child benefit as being key to what we want to do in Saskatchewan and key to what can happen across Canada. We've taken the position that we're moving ahead, and we hope that other provinces and the national government would join us.

Now there are a whole range of other proposals of course in the redesign for our own province, including a working income supplement and perhaps an integrated training allowance. We spoke a little earlier with one of the members about training. We're looking at some proposals around how can we assist the young people of Saskatchewan who are finding themselves on social assistance, through a program we describe as youth futures. We're talking about a greater emphasis on achieving child maintenance. We're talking about greater accountability — all of these proposals here in the paper.

I know that the member has had the paper. I know that he's had a good look at it and I would certainly appreciate in the context of this discussion, comments, specific comments, that he may have or any ideas he may have about these various proposals. We are at the stage now of trying to refine these and will over the course of the summer and the fall, refine these into more detailed programing options. And so we would . . . I would sincerely appreciate any comment the member would have.

Mr. Toth: — Mr. Minister, I appreciate that. Mr. Minister, I just missed some of the comments you were making, and specifically with regards to the child benefit program, in regards to my question a little earlier about where you saw your welfare reform going and my suggestions that we need to encourage people and give them the opportunity to, if there is a job available, to work at that without . . . and yet having the availability of some assistance so that they got a sustainable income.

And I'm just trying to put that together with your comments about . . . and I'm sorry I just didn't catch all of what you were saying about the child benefit program. I'm trying to understand what you exactly mean by child benefit. Is this something that is over and above income support to a family, that would be say given to . . . included in the upbringing of that child say till the age of . . . and I'm going to use the figure 18, because I don't think children at 14 and 16 should be off by themselves and social assistance looking after them. I strongly feel that families have a responsibility. We bring children in the world, and we have a responsibility until they reach that age where they can get out and provide for themselves, of looking after themselves,

not having them just come to the government. So I'm just throwing that in so we're not getting mixed up and then all of a sudden providing support for somebody who gets a little annoyed at what's happening at home and moves out and just goes to social assistance for help.

So maybe you could just explain just a little bit more about what you perceive or what you're viewpoint . . . or what you understand child benefit to be, Mr. Minister.

(1100)

Hon. Mr. Calvert: — Mr. Chair, perhaps I could begin by illustration of what I see as one of the problems in the current circumstance. Here is I think a real live — I don't think it, I know it — a real live example of what sometimes brings children and families into the welfare cycle.

A family may have a very modest income through their own employment and so on, but a very modest income. One of their children or a child develops a medical problem, an illness, a disease that will require medications. The medications will have, in some cases, enough cost that the family's income simply cannot bear it or it brings the cost of living for that family to a level that then leaves them little or no alternative but then to go onto welfare. And so for the cost essentially of the medication, we have moved a family onto welfare, with all that goes with that.

A child benefit would provide for the children of low income families in our province or nationally, a standard level of adequate income for that child, paid of course to the family, but to represent the needs of that child. It would also, in our provincial circumstance, provide for drug coverage, medication coverage for that child, without having to access the welfare system.

Now how would we accomplish this benefit paid on behalf of a child to the family? It would be done in the following way. We would take all of those resources we're now spending through welfare, through the welfare cheques, to children, utilizing all of those fundings. It would also utilize the funding from the various tax programs that are available to children, wrap those into a package and make it a child benefit available theoretically to any child of our province or any child of Canada in a low income circumstance.

This is not like the old family allowance program which was just mailed out to everybody, it didn't matter your income. This would be a benefit directed to children in low income families. But it would not be a benefit that came through a welfare system. It would be a benefit available to all, simply accessed — it would save all of the problem with accessing through a long, complicated process — simply accessed on the basis of family income. It would provide that basic, adequate cost of living for raising a child.

I agree with the member on the second point that he raised, having to do with the young people. And so we would see the benefit extending to age 18. And I would also just indicate to the member that in terms of . . . we have made some very significant changes now in terms of the ability of 18-year-olds or under-18-year-olds getting into the welfare system. It's a

much different process now than it was even a few years ago.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, I appreciate your comments and the explanation. I think it's unfortunate, Mr. Minister, though that your department is left having to address the needs of families as a result of decisions made in the Health department when it comes to drug costs.

And in some ways, Mr. Minister, it would seem to me that if there is a situation that a family faces an exorbitant drug cost, a drug bill, that I'm not exactly sure that your department should be asked to help look after or sustain that family. But the Department of Health should be looking at that and responding to that cost, rather than saying it's your responsibility as the Minister of Social Services.

So in that regard, while I certainly commend the department for looking at this and recognizing that this becomes a major burden to families, especially families who have individuals, and asthmatics can certainly be . . . is one situation where some of the drugs that are associated with asthma can become a major cost on a monthly basis to a family.

So I would say . . . commend you and your department for having realized that this is one of the major economic impacts, if you will, on a family's income and for their sustainability. But I guess I'm somewhat disappointed that the Department of Health hasn't recognized that and provides that support that should be there coming from the department.

So I thank you, Mr. Minister, for having recognized that, and for your department, and for looking at, as an overall view, how we provide a positive, fulfilling lifestyle for individuals and families who may be at the low end of the economic sector of our province and of our country.

Mr. Minister, unfortunately I think I've basically come to running a little dry on questions and concerns that have been raised with me. But I want to thank you for your input and your involvement, you and your officials, for having taken the time to come, responding to the questions we've raised in the area of Social Services and support for communities and individuals in these communities.

And at this time we're certainly prepared to allow a vote to proceed. I believe there's a couple other members have some wind-up questions as well. Thank you.

Mr. Goohsen: — Thank you, Mr. Chairman. Minister, of late I have been getting letters from people who have family members who are disabled. And apparently in 1947, there was a rule set that they could have \$1,500 worth of cash assets. And I'm going to have to depend on your knowledge of this area because I'm just going by these letters that I've got and I haven't had a chance to research how this process works. But apparently they had wanted that amount increased. If it isn't increased, then it somehow affects the amount of assistance that they can receive for these disabled children.

Could you explain to us how that process works, and perhaps you could shed some light on what is being done to alleviate the problems of people who have invalid children, and I believe

that these are adult invalids that are being cared for by parents. And perhaps you can enlighten us in this area to some extent so that I'll know how to answer these letters that I'm getting so that we can relieve some of the concerns of the people that are writing to us.

Hon. Mr. Calvert: — Mr. Speaker, I cannot confirm the date the member raised about 1947, if that's when it was established or not, but there has been a policy of only being able to hold a certain amount of asset and at the same time access social assistance.

We recognize this as a concern. In recent days and weeks, we've been working with Justice, the Department of Justice, around The Dependants' Relief Act enabling families to set aside some monies in trust for . . . and this is very often in the case of a disabled child. As the parents grow older and the child grows older, they want to be thinking about the child's future when they're gone. And so we're working with Justice around The Dependants' Relief Act to provide for a greater ability for families to establish trust accounts or trust amounts that can provide for those kind of special things that might want to be provided along the way.

The issue, the debate of course, always is how much should we enable individuals to set aside in a trust and still count on then the taxpayer or the welfare system to provide for the daily needs. I mean there would be some families who could put substantive amounts of money in trust and still then call upon the welfare system to provide for basic needs. So the challenge is to find where is the right level.

We're also working again with the Saskatchewan Association for Community Living people to talk about this issue and see what we can do. It's just to try and strike this balance between what's appropriate for the individual needs but also appropriate to the taxpayer, and not asking the taxpayer to provide where there are substantial personal assets.

Mr. Goohsen: — Thank you, Minister. That does clear things up a little for me. Because I was thinking at first, obviously, that certainly people should be allowed to set aside a trust fund, and I think they should. But obviously your point is well taken, that if they have enough money to be able to set aside a very large trust fund, then why are they asking the taxpayers to pay the bills for their dependent child.

So I guess we do recognize the hardships that people go through. And certainly there are an awful lot of sacrifices that people make in order to take care of their own at home, whereas some families simply will depend on the system to take care of the family members. And I guess we have to give every credit to people that are willing to take on their own responsibilities and who love their families enough to want to go to all of those sacrifices that have to be made in life in order to keep their children in some kind of a state of dignity, some kind of a lifestyle that shows some love and compassion and caring.

But I do understand your point, and I'm glad that you were able to make that. Now of course your dilemma is to determine where that level is. And I have no figure on the top of my mind, but I do know that these people are very concerned about the

ability to be able to at least set up some kind of a trust fund. And I think that they probably would want me to make the argument for them that this can't be too low a figure because as inflation is a part of our life and probably will be again, then the value of those dollars that are put aside diminish. And so you have to have quite a few set aside in order to be sure that a dependent child would be well cared for or taken care of.

And I think these people are genuinely concerned that after they die or perhaps are no longer able to care for these people in their families, that it will cost a lot of money to have perhaps other family members, or I guess, you know, I hate to use the words, but to have institutions step in and take over.

And I know people don't want to have that happen, but I guess it's probably a reality of life that maybe some folks will end up having to go to certain institutions in order to find a place to comfortably and safely live.

And of course the welfare system could then be asked to pay the full bill, I suppose, in our society and the way we accept things. So if we do encourage people to put some money aside, then that may alleviate some of the cost down the road.

So I think the point would be well taken that those numbers should not be too low. And if you'd care to expand on that just a little more, that's the only question I had in that area.

Hon. Mr. Calvert: — Well I think, Mr. Chair, that the member and I both recognize some of the issues here and some of the challenges. I thank him for his input here and I guess we have not reached any kind of definitive view of this. And it'll be, I'm sure over the next several months, an ongoing discussion and again I thank the member for his concern, his interest.

Mr. Goohsen: — I have a couple more questions in another area, Minister. It goes into the area of getting people trained and back to work.

Now we know that this is a sensitive area for your government because you don't like the terms workfare or working for welfare and those kind of things. And yet I do have people coming to me, both on assistance and off, that have said to me that they really would like to see a better opportunity for training programs that would allow people to do some sort of apprenticeship work, where they wouldn't actually just go to school and learn how to do something but they'd actually be put in touch with an employer where part of their training would be to work for somebody and learn how to get along with somebody else that gives orders and learn how to take orders and learn how to punch a time clock, basically. Because a lot of folks haven't developed that ability to wake up at a certain time and go to a job and develop that kind of a lifestyle pattern where you are accountable at certain periods of time of your life to be with somebody else.

And I'm wondering if you are doing any work in that area to try to get an apprenticeship program into place so that these people can be trained, not only at the job but also a lifestyle of having to, I guess, develop a work ethic might be a proper term, where you actually have to be responsible to show up some place.

And of course you can elaborate on that to any extent you like and we would appreciate whatever input you'll give us.

Hon. Mr. Calvert: — Again, Mr. Chair, we have similar concerns; perhaps flavours of difference in how we would reach the conclusion, but I think the conclusions are the same. We would like to see a system, I think all of us, that helps individuals get out of the dependence of welfare and into independence, that assists people to do that and gives them the tools to do that.

We have, as the member knows, the New Careers program, which was initiated under the former administration, which has evolved and progressed and has done some extremely good work in just this area of taking individuals who are for the most part receiving welfare or are unemployed and putting them into both an experience of work and training together. And I think if the member cares to pursue that with the minister responsible, he would see that there are many, many success stories of people who have gone into a New Careers placement who, while in that placement or soon after, have then been able to access long-term and productive employment. It's had a very successful history.

(1115)

We are, as you know, reviewing all of our post-secondary training opportunities, and given the withdrawal of the federal government from this area — just a straight withdrawal — it has left each and every province now in the position where we'll have to create and craft our own workplace training experiences.

The Minister of Post-Secondary, through his review of this, is in the process now of looking at the whole package and how we can do this best given the kind of resources that we'll have to do it with.

In our own redesign of social assistance, we're also talking about a program which we've described as youth futures which would require of young people, generally in the ages of 18 to 21, in that age group, that if they were without the ability to be supported by their families, if they want to receive welfare, then to be involved with a plan for each of them that would involve some form of training, some form of education — perhaps it's simply to work on a grade 10 or a grade 12 — but some form of education and/or some form of work experience to develop, as you say, the skills of not just the technical skills of a trade or work but sort of the life skills of responsibility to an employer, being at the job and so on.

So these things are happening. I'm hopeful that in the rethink that we're doing of all the training in the province that these issues will be front and centre in those discussions too.

Mr. Goohsen: — Mr. Minister, the area of Workers' Compensation, as you will realize, is something that I have taken an interest in because of my leader's decision to have me critic the labour area and related areas, and what we're finding is that people are calling us up and saying that they'd like to get some better results out of Workers' Compensation in terms of getting back to work after they've been injured.

One specific case, and I'm not going to mention any names, but the gist of the thing is the young man is injured so that he can no longer do heavy lifting types of work or ride heavy equipment. His back has been injured. And the therapist that he works with tells him that he should no longer lift. He should no longer do that kind of work.

And he says, yes, that's fine. Now I'd like to get some training, and apparently there's a training program. So — and I'll get this tied back to your department — there is a training program available for him that would train him to go to another job. Unfortunately, though, the therapist is not willing to take the responsibility of signing the necessary letters that would allow for him to qualify to get this training.

I don't know why, and I'm trying to research that to find out, but the situation has occurred more than once where medical people are not willing to take the responsibility of saying, we are the ones that are saying this person no longer should work at a certain job and should be trained for something else.

Unfortunately though, this leaves this young person in a situation where he can't do his old job. He goes and tries; obviously it hurts. He can't perform his job. The employer agrees with him he no longer should be doing this. So he's not fired; he's . . . basically quits. But then he can't qualify for unemployment insurance because he has quit his job instead of being laid off.

You know the red tape story I'm getting into here. Every department is saying to him, well you know, you haven't got the proper credentials to qualify for this, that, or the next thing. Can't get unemployment insurance. Can't get workers' compensation forever, or if he does he gets a smaller and smaller, diminishing amount.

And of course that brings us to your department. And I have advised, as recently as yesterday, a young man to go to Social Services to ask for help. So what we're doing is downloading the responsibility on to the taxpayers because somebody in the system refuses to sign the necessary papers for this person to be retrained.

Now do you work with Workers' Compensation's training programs so that people that come to Social Services through this maize of red tape, or lack of ability to cut through the tangled webs, do you have some way that you can in Social Services then get that person the training that Workers' Compensation might otherwise provide?

Is there some vehicle that we can get this person trained to do something of lighter work? Perhaps being an oil well checker? I think they've got a better term for that, but a person that drives around in a truck, checks oil wells; doesn't have to ride a caterpillar tractor that jerks and pulls and stuff like that. He doesn't have to lift sacks of cement.

But he goes and he checks and he has some simple paper work that he has to do and keep track of what's going on. Those kind of jobs are available, you see, in south-west Saskatchewan and that's why I identify that potential.

But this person has never done that kind of paper work, needs some training. He may also need to have some training as to what you would do with safety around oil equipment and gas equipment. We don't want him going out there and blowing his head off. But it isn't probably something that's insurmountable. It's not like having to go to get a university degree.

And so those things should be available somewhere, and I'm wondering if you have any vehicle that these things can be provided, or should I send this young man somewhere else?

Hon. Mr. Calvert: — I think in all of the programing that governments will provide we will encounter these experiences of . . . whether it's red tape or someone somewhere refusing to sign something for some reason, we run into these confusions. With the best of intentions, you run into these confusions.

What I would hope in this particular circumstance — certainly not knowing all the detail — but if the individual is now at a situation where income is required, that we . . . Any of us in that situation should not feel any embarrassment about accessing social assistance. I mean, that is what the program is for, and there, but by the grace of God, go any one of us that we might find ourselves in a similar circumstance and there should be no embarrassment.

The individual in this case, if is approaching a social worker for access to welfare, social assistance, it would likely be the experience, and I would hope it would be the experience, and it is most often the experience that that social worker then would review this circumstance that you describe. And that social worker would say, well now listen, if there's an opportunity under Workers' Compensation for training to be provided or if there's an opportunity through Post-Secondary Education or wherever the opportunities are, that that social worker would see it as his or her responsibility to help that individual pursue that route.

Now in the short term there may need to be some assistance. But part of the social worker's role hopefully is to assist that individual through some of these red tape mazes if they exist or if there's been some problem. Because it's frankly to our benefit budgetarily to have individuals receiving their support in other circumstances, whether it be through WCB (Workers' Compensation Board), which has been the worker and the employer's contribution, or whether it's through some federal programing, or whether it's through employment — that too is to our benefit.

We want our system to be there for the short term in the needy situation. So if the individual that you're working with approaches the Department of Social Services for assistance, I would hope that part of that assistance would be to solve or try and solve some of the issues that has got him to that point. Again, and if there's not, if you're working with that individual and there's something further you think that could or should be done, please feel free to forward to the department or to myself and we can try and assist.

But it is always a challenge. I've learned in my short time around government, it is always a challenge, no matter with all

of our best intentions, to move people through these various mazes sometimes.

Mr. Goohsen: — Thank you, Minister. And I do appreciate your answer in this matter and I will send this individual a copy of the *Hansard* and continue to help him to pursue this line. I think we are on the right direction here; it sounds to me like we are. So we will try to coach him, as you say, through the maze to try to get his life back together.

And I'm not saying that there's only one individual that's in this kind of situation. There will probably be others. So maybe we can use it as a kind of a blanket approach to know how to help folks and save writing a whole lot of letters to yourself and having to answer each individual one. So probably it will serve some purpose as a kind of a blanket policy to help people, at least through my office.

We also have another type of situation, and I won't even mention a town here because this gets fairly complicated with one individual. But I guess it can be kind of a general question of people that fall into a certain category. And this would be people probably in their 50's who are probably past the point of easy employability unless they have specific trained skills that they've grown up with or developed over the years. But having . . . in many cases being in the workforce in, I suppose you would say, a hands-on type of working job description where it is mostly physical labour and not requiring a high amount of technical knowledge, these people, if they find themselves getting older and in that state of time where they're hard to employ, sometimes become addicted to alcohol and those kinds of things which, of course, makes their life even more difficult to straighten out.

They find themselves then though living in some of these smaller towns and find that they can't find employment. Social assistance of course is the only vehicle available to them. They do of course have these addiction problems which of course leads then to the problem that they are not properly taking care of themselves in terms of buying food instead of the other things that they seem to require in their lives or think they require or just plain foolishly spend their money on.

At the end of the month we find these people broke, without food. They have neighbours that are compassionate but fed up with these individuals consistently never taking responsibility for their planning out the whole week or the whole month — three days on booze and three days without food kind of situation. We all would like to help out and the folks would all like to help out but there's a point in time when folks just get tired of this.

And it is a real difficult problem because then this individual will come along with a broken set of teeth for whatever reason. And I can see the reluctance of Social Services to say, well we'll give this person some more money so they can fix their teeth. And I know we do set up things like where they can go to a dentist and get the teeth fixed and the money never, ever passes through that individuals hands.

But there must be some way that we can get these people, I guess, delivered maybe food or something like that, so that

they're not any longer able to make the decision to spend that money on these other things so that they have to get some food or some nourishment of something like that. Is there any program that you can put into place for that type of an individual?

Hon. Mr. Calvert: — Mr. Chair, we in fact do have a program in place that tries to deal with just that situation. It's called the trusteeship where it may be an individual — maybe an acquaintance or a friend or a neighbour — an individual who can serve as the trustee to assist the individual in managing his or her money. Or it may be an agency. For instance, in the city of Moose Jaw, the Salvation Army serves as the trustee for a number of welfare individuals.

So that is the system that we do have in process and that would be available in any community of the province.

Mr. Goohsen: — Well, Mr. Minister, the problem is: what if this individual is reluctant to allow that program to be used? Do you have authority in your department to say, you're at such a state in life that now you have to accept this? I know I hate to even suggest that people should have their civil liberties I guess infringed on, the right to choose for yourself, but maybe at some point in some cases there is that need. And I'm wondering: is there a vehicle and how do you access that vehicle?

Hon. Mr. Calvert: — Yes, our worker is reviewing an individual case, and of course every individual case is treated individually, and if in the assessment of the worker that the trusteeship is the only or the appropriate thing to be done, it will be done.

Now by way of check and balance, on behalf of the individual, we do have our appeal processes where that individual could appeal that to the local appeal board which will be made up of citizens of that local region. Or ultimately, if not satisfied with that appeal board, could go then to the provincial appeal board. Then again the provincial appeal board are not employees of the Department of Social Services or agents of government. They are citizens selected for their, hopefully, impartial and judicial abilities.

But yes, in answer to your question, the department, through its social workers, can in fact insist on a trusteeship.

Mr. Goohsen: — Thank you, Minister. I hope that these cases have been of some value in terms of generalities so that other people can use them to guide their specific cases and that we haven't wasted a whole lot of time for the taxpayers and yourself over individual cases. But I believe that they have some importance as a blanket kind of a thing in our society for those people that fall into those categories. And so I'm happy with your answers — I want you to know that — and I will take this information and try to apply it as best we can to help people's lives out in society.

I do want to say though that you have a tremendous challenge in your department. You deal with the most needy people in our society and it has always got to be tough to make the decisions of where you draw the line on how much you give or not give.

We are constantly asked for help to get more, naturally, and we always take the position that we try to help everybody to get more because we take the position that we trust and believe everybody that comes to our office until they prove otherwise, and in most cases people are genuinely needing a little extra help.

But the dollars are short and we know that, and so we understand the predicaments you're in. We just hope that you can be patient with us when we constantly are coming to your department asking you for more and more help here and there. But we do sympathize with your need to have to say no, and we know how frustrating that must be sometimes. But we do appreciate the fact that in most cases when we've come to your department, we have been able to get the help that people genuinely need.

And we are appreciative of that, and we hope that you can find some kind of program that will not only help people but will reduce the amount of people that need assistance and will reduce the amount of money the taxpayers have to put into it. This is obviously a great challenge and we wish you well with it, and we thank you for your answers.

Item 1 agreed to.

Items 2 to 7 inclusive agreed to.

Vote 36 agreed to.

(1130)

Supplementary Estimates 1995-96
General Revenue Fund
Budgetary Expense
Social Services
Vote 36

Items 1 and 2 agreed to.

Vote 36 agreed to.

Hon. Mr. Calvert: — Mr. Chair, just before we depart, or the officials depart, I do want to, on behalf I'm sure of all members, thank the officials who have assisted us in the estimate process in the House. But I'd want to pick up on the remarks of my colleague earlier, when he talked about some of the difficult tasks in Social Services. While it may be difficult for we who are in the political sphere, in the public sphere, these difficulties are met on a daily basis by those who work within the Department of Social Services — the social workers on the front lines, the community living people, as well as our senior officials. And I want to, on behalf of I'm sure all legislators, thank those who work on a daily basis in the field of social services.

Mr. Toth: — Thank you, Mr. Chairman. As well, special thanks to the minister and his officials for having taken the time to come and address the concerns that we've raised. I appreciate that.

General Revenue Fund
Economic Development
Vote 45

The Chair: — I would ask the minister to introduce his officials, please.

Hon. Mr. Lingenfelter: — Mr. Chairman, I'm pleased to introduce the officials who are with me here today from Economic Development. First of all, seated to my right is Clare Kirkland, the deputy minister. To my left, Tom Douglas, who is the ADM (assistant deputy minister) of diversification division. And seated directly behind me is Janis Rathwell, who is the ADM of corporate service division. And behind me and to my right, Peter Phillips, who is the ADM for policy and coordination division.

Item 1

Ms. Draude: — Thank you, Mr. Deputy Chair. And welcome to your officials, Mr. Minister.

Mr. Minister, you have a huge responsibility to encourage and facilitate economic growth in this province. And I believe, as Minister of Economic Development in a socialist government, it clearly gives you the mandate to open the doors and stimulate the economy so there is enough money for things like highways, health care, social services, and education. These are the four most important areas in the province that require needs that should be looked after by the government.

My philosophy and yours is very different, but I do believe that these four areas are relying on your department or on you yourself to make sure that there is enough money. And I don't believe that people will believe that our highways are in good shape, that our health care is good, that . . . there's still too many people on welfare and now our education system is being threatened.

I think that your responsibility to encourage the prosperity in the province goes beyond the high profile job of shaking hands and meeting people outside of the province. So I'd like to see if you can tell me what your role . . . what role do you think you can give to this province over the next few years to actually change the prosperity of this province so that we do have our province back on solid footing.

Hon. Mr. Lingenfelter: — Mr. Speaker, I appreciate the member's question. I'll be very brief in my response because we've gone over this a number of times.

I believe that the philosophy of our Department of Economic Development and the Government of Saskatchewan is one of facilitating business, co-ops, working people, to form partnerships to solve their economic issues in terms of cooperating and working together as opposed to dividing workers against business people or workers against co-ops.

And these are two very fundamentally different approaches to economic development, and I would agree with one thing the member opposite says: that we have fundamentally different approaches to economic development.

It seems to me that in previous years, if you look at the period during the 1960s when the former Liberal government was in power — the last time we had a Liberal government between

1964 and '71 — you will find a period of time when the strategy was to appeal to business by being mean-spirited towards working people.

That is a very, very different approach than what was used by Tommy Douglas, the CCF (Co-operative Commonwealth Federation), or Allan Blakeney in the 1970s, where the attempt is to create partnerships and teams of people who go forward with something of a common interest, never perfectly in sync, but trying to join together as much as you can; the common interest of course being that the families who live in our province have a decent income, good disposable income, because the idea being that if working people have high disposable income obviously small-business people are going to do well.

The theory that right-wing governments often bring to the table — and this was certainly true in the 1980s, continuing under the Devine government — to put workers down, to have a lower and lower income so that fewer and fewer people would have more and more of the economic pie, has always amazed us as to how this could possibly work in the best interests of small-business people.

Because the fact of the matter is, the fact of the matter is that in order to have a strong economy — and this has been proven over and over again worldwide — the main thing that you have to ensure is that the broad base of the population has a good income. Because without that, the fundamental structures of your economy — and I say this whether you're social democrat or whether you're an American right-wing economist — is that if you don't have a solid base of middle income people . . . and the more middle income people in the income group the better; the stronger your economy will be.

You would be hard-pressed to show me any country in the world where you go to the bottom, lowest common denominator for salary for workers, where you have a successful, thriving middle class or a thriving business class. You'll have very large corporations, very, very wealthy people, 1 or 2 per cent of the population, and you have a large, broad base of very poor people. These are not the strong economies of the world.

The strong economies of the world are the Canadian economy, the European economies, the Japanese, those countries where they emphasize the role of the workers as being fundamental to the overall structure of the economy. It's not to take away from the role of business or the role of co-ops or the people at the top in management. But without a satisfied working group of people who are well paid and reimbursed for the hours of work that they put in, the economy doesn't work well.

And so what always amazes me is when right-wing governments get in power in Saskatchewan, the tills of the small-business people quit ringing; i.e., that period in the 1960s when Ross Thatcher was premier, it was downhill. Everyone refers to it as the seven lean, mean years of Liberal administration. Punish the workers. And we remember the anti-labour legislation that came in.

Same was true in Grant Devine's era and we saw the economy

tail off; population loss. And some would argue that this is good luck. That every time those doggone social democrats get elected everything gets good again, and I don't know what we're going to do about that. They're the luckiest people in the world.

Others would argue something different — that every time you elect an extreme right-wing government in this province, they take after the working people of the province, cut their income, and lo and behold the economy doesn't work as well.

I don't know how many times we'll have to go through that cycle before we realize that having a social democratic government that believes in people, ordinary people, having a good income, that that's good for business people. The sooner we realize that, I think the sooner we'll quit electing these extreme right-wing governments that you and your colleagues represent.

This was certainly true in the election recently in British Columbia where the Liberals there tried to, under the guise of the Liberal mantle, really being old Social Credit or Reform members . . . and you know the back room dealing that went on between the Liberals and the Reform Party and the Social Credit during the campaign — read about it on the front pages of the newspapers — trying to see who could get to that bottom line, drive workers down to the lowest common denominator.

Luckily it was exposed during the election and that Liberal Party wasn't elected in British Columbia. And I think the economy will do very well as a result of that.

So I say to the member opposite that ours is one of believing that partnerships can be formed between working people, between small business, even between large business; that you can have a balance between the needs of business people and labour legislation. And we'd like to think that the balance in Saskatchewan is just about right, but obviously has to be reviewed on a very constant basis to make sure that the balance is proper.

Ms. Draude: — Thank you for the story. Mr. Minister, I really wish that I had a little more than one twenty-fifth of the political experience you have, and I guess I will have some day.

But I want to tell you first of all that I believe in people as much as you do — probably more — and that's why I made the comment the other day that I was hoping you would answer, and you didn't, when I asked you if you'd ever consider joining departments. The reason I'd asked that very important question is when we have two separate camps — labour against business — that's what it looks like: we're pitting one against the other.

Businesses cannot operate and people cannot operate without one another. We have something that I don't know if your government is going to be able to do, and that is if you can legislate a profit for business, then we can keep two camps. But until you can legislate that I am going to be sure that I can make, even 25 per cent every year . . . I'll be quite delighted; then you can carry on with your theory.

But I'm wondering what your comments will be on my

suggestion of joining the two different departments.

Hon. Mr. Lingenfelter: — I guess one could make the argument that the Department of Economic Development should become the Department of Labour. But I don't think that would meet the needs of the business community that we represent.

Or you could argue that the Department of Environment, which sets the regulations for the business community or for working people, become part of the other.

I think at the present time — and I think it's well acknowledged throughout the western world in democratic countries — that the need to have departments to represent different areas is very important. And so while I appreciate the process of thinking about that possibility, at this point in time, I couldn't disagree more; that I think amalgamating the Department of Labour and Economic Development would not be wise.

Simply put, because I think the position of these two departments is very, very crucial. That designing programs for labour, designing programs for business, and then coming together at a cabinet table where these are debated, thought out, caucus, then coming to the Assembly, works very, very well.

And I think if you look at the overall situation between working people and business in Canada — and I say this generally regardless of which political party is in power — you will find that we have one of the best situations for working people and business, as a result of this formula of having departments of Labour and departments of Economic Development, anywhere in the world.

So I would argue quite strongly that I think the process that we have in place, although I agree has to be fine-tuned on a regular basis, is much better than amalgamating the two departments.

(1145)

Ms. Draude: — Mr. Minister, what we have right now, as you stated we have, the Labour concerns that are brought to your cabinet table on the business concerns, and the government works it out. What I'm saying is the government doesn't have to work it out. The people can work it out themselves.

I also wonder if you can tell me, are most of the union members in this province, are they private sector or are they government, public unions?

Hon. Mr. Lingenfelter: — About 22 per cent of the workforce in Saskatchewan is unionized and the balance would be more in the public service than in the private. I can get you the numbers of exactly how that would break.

Ms. Draude: — The Government of Alberta has actually restructured the Department of Economic Development into an authority or an agency. Are you considering that?

Hon. Mr. Lingenfelter: — It's my understanding they have both. They have an authority, not dissimilar I suppose, from our Provincial Action Committee on the Economy, and then they have the department. So I don't think, in terms of structures,

we're greatly dissimilar.

In fact you'll know that we took the tourism division out of the department and formed a partnership between the private sector and government, and we were the first province to do that in Canada. Alberta, since, has copied that and now has a Tourism Authority as well. And I believe British Columbia has just gone through the process of doing a joint venture or partnership between their tourism department and the private sector.

So if you look at the structures in western Canada, I think you'd find that in British Columbia, Saskatchewan, and Alberta, the structures are actually very, very similar. And when it comes to how we're dealing with tourism and now with our Trade Development Corporation that we're setting up, actually Alberta and British Columbia are following the example of Saskatchewan.

So I would be very careful to just say look, the structures we have in Saskatchewan are no good, and we've got to go to Alberta or another province to find out what works. I think that is putting a very, very low value on the work that has been done by our bureaucracy, which is excellent.

A lot of work has gone into these structures and a lot of it comes as a result of the partnership that was formed between business, working people, and government at the time of the strategy, *Partnership for Renewal*, and subsequently *Partnership For Growth*. So I think if you look at Alberta and Saskatchewan, you'll find that the structures, as it relates to economic development, are not greatly different.

Ms. Draude: — I believe from the studies that I've done and the talking I've done, that Alberta gives more authority to departments like our REDAs (regional economic development authorities), when they let the regional people or the local people make more decisions on the economy in their area. Are you considering that?

Hon. Mr. Lingenfelter: — What you may be referring to is the role that counties play in Alberta, because they actually have a bigger structure for doing economic development at the local level. We've chosen to leave our municipal governments in place and set up regional economic development authorities.

You may be making the argument that we meld the municipalities in the with REDAs and form counties, as they have done in Alberta, but it's fair to say that at that level we have a great deal of local involvement in our regional economic development authorities.

I say again, in Alberta what they do is elect county councils and . . . But that has been debated a great deal in Saskatchewan and I think local governments would tell you that they are very much opposed to going to a county system.

Ms. Draude: — Mr. Minister, I'm wondering if you've had requests from professionals in the province, such as the accountants, to enable them to form corporations . . . to be incorporated?

Hon. Mr. Lingenfelter: — At this point we've had no requests

for that.

Ms. Draude: — When I look at the *Partnership For Growth* agreement, we talk about the amount of regulations and that your government is going to be cutting back on them. Can you tell me which ones you're going to be starting with and when you're going to start?

Hon. Mr. Lingenfelter: — We have a process in place right now headed up by Lynn Minja, who are . . . and that group is actually doing a review of all the regulatory structures and regulations in the province, the goal being, as *Partnership For Growth* indicated, a reduction in regulations by 25 per cent over the next ten years.

But obviously we won't be waiting 10 years to start the process. This will start . . . it has started right away, and you'll see some of those results coming in the months and years ahead.

I think it's fair to say that all jurisdictions believe that there are a number of regulatory structures in place that are outdated, outmoded, and having a zero-based regulatory structure that ensures that you don't put on layer after layer of regulation; that in fact the goal has to be to reduce the number of layers of regulation. That's the commitment that we have given, and working with business and working with industry, we are sure that that is an attainable goal.

Ms. Draude: — Mr. Minister, from my own experience, and those of many people that I talk to, getting children or young adults involved in business and in the workforce is very important. I'm wondering if . . . and we talked previously about what you were going to do to encourage education to be involved in economic development. Are you working with Post-Secondary right now to encourage some of these programs, to encourage education and information to be going back and forth so that we have more people that want to start businesses?

Hon. Mr. Lingenfelter: — Well the Minister of Education and myself, as well as my deputy and the deputy of Education have had a number of discussions. In fact we now have a working paper that talks about the very issue of entrepreneurial skills being taught more directly in the school system.

At the post-secondary education level, I think there's a good deal of that that goes on. If people want to take commerce there's many courses available. I think the weakness in their system — and I don't say that particularly of Saskatchewan, but of Canada — is the teaching of entrepreneurial skills at a very early age as an option for young people is very, very important.

As I mentioned, we have a working document that will help set in place better structures than we have at the present time. Of course there are programs within the education system already for entrepreneurial skills teaching, but we want to beef that up and strengthen it.

So we expect in the next couple of months that you will see an actual official announcement, which will be a joint venture between . . . or joint effort between Economic Development and Education, if all this comes to fruition, that will speak very

directly to that issue that's referred to in *Partnership For Growth*. That is, how do we get young people to think more about how do they position themselves in the economy to be someone who's hiring other people as opposed to thinking only about, who am I going to work for when I complete my education?

And I think there's a lot of work to be done there. And I've encouraged MLAs and some of them have actually got involved in their own school districts and in their own schools. I know the member from Swift Current is very involved in his school division, working with small-business people to inject them more into the school system to act as mentors and role models for young people.

And I would encourage MLAs who have the kind of position in the community that you do, because I know you're involved in small business, to deal directly with your school division to see what you can do at a very personal level to inject that quality of entrepreneurial skills into our systems at the local level.

Or if you have ideas, I would be very willing to sit down and . . . or my officials sit down with you and go through the document that is being prepared because I find it to be quite exciting and thorough but always in need of more opinions and comments.

So it's moving along quite well and I know the business community is quite excited about it.

Ms. Draude: — The news release or the press release you received this week about the STEP (Saskatchewan Trade and Export Partnership Inc.) program that's going to be starting, I think you said August 1, said something about consultation. I think it was funding. Can you explain that to me, please?

Hon. Mr. Lingenfelter: — I think your question was, Madam Member, the issue of funding and what will be available through STEP or the Saskatchewan Trade and Export Partnership. What there will be in the program of STEP is the training or facilitating of people to understand where all the sources of export financing are available, both at the federal level and also at the international level, or at the provincial or local level.

There will be no direct funding program through STEP. But what there will be in that organization is the ability for people to use the services of STEP to identify the many sources that are already available. And we believe that rather than setting up another competitive source of funding, what we are much better at, and probably more important, is that we would open the door for those people interested in international trade or export because there are many sources of funding available already.

And many of our exporters simply don't have access to or don't know about the international facilities or the national facilities that might be available for export. That will be one of the roles of STEP.

Ms. Draude: — The administrative information that would be gained through STEP can be received at this time through Saskatchewan's business offices right across the province.

Aren't you duplicating it?

Most of the information that you're talking about in STEP, when it comes to being able to export, categories or steps that you have to take to get your product out of the country can already be accessed through Saskatchewan business offices that have all this type of information. Aren't you duplicating it then?

(1200)

Hon. Mr. Lingenfelter: — The role of the Trade Development Corporation will be specific to trade, and really what we've had in the department to this point is officials, a number of officials in the area of trade who . . . if a business person phoned in or wanted to find out information, that information could be made available through the department. That function will simply shift over to the new entity which will be a joint venture between the public and private sector.

So there won't be the duplication that you refer to because we're actually moving the people from being totally government oriented, or within the government oriented, over to a different structure that will be operated and managed by the private sector as well as government. So the structure will change fundamentally from the private sector doing their own thing, government doing their own thing, into a streamlined, efficient system that will focus more clearly on those export markets that are viable and most important to Saskatchewan exporters.

So the duplication you refer to really won't be there. In fact what there will be is an amalgamation of very many different entities, both in the private and public. As you know, the international unit out of Health is moving over to STEP, our people are moving out of the Department of Economic Development over to STEP, and a number of private sector increments will come as well. So far from being a duplication process, this will actually eliminate some duplication and streamline the system.

Ms. Draude: — So you won't be hiring new people then; it'll be people that will be brought over from difference departments.

Hon. Mr. Lingenfelter: — At the front end it will be very similar to what we did with the Tourism Authority where the tourism division moved out of the Department of Economic Development and became the basis of the new Tourism Authority, or what is now called Saskatchewan Tourism.

If you go there today, a year later, you'll probably find most of the people who were in Economic Development are still working there, although some through attrition may have changed, because they now work for this new board of directors. You'll find two other tourism agencies have now joined forces with tourism Saskatchewan, and the private sector has put money into Saskatchewan Tourism to allow them to hire extra people. And so the unit is actually bigger than it was in government and the services they provide are far superior, I would argue, although it remains to be seen where this will end up.

But I know with the Tourism Authority, it is so successful that Alberta has followed the model, British Columbia has now followed the model. And it makes you wonder when Saskatchewan, on the basis of tourism, can compete with and set up structures that Alberta and British Columbia follow, that we really should have the confidence that on the export area, where I think we have a big advantage over any other province because we trade more per capita than any other province — we now export over \$11,000 per person out of this province — that we really do have a leadership role that we can play. And I must say that the federal government, as well as other provinces, are looking very closely at STEP as an example that they might use in their trade development process.

And I think both the Tourism Authority or Saskatchewan Tourism and our Trade Development Corporation are good examples of what Saskatchewan people can do when they are allowed to be creative. These are not government programs. These are offerings and suggestions and ideas that have come from the community, from business people, from working people, to be amalgamated together. And I think that's why they're getting the support that they are.

Mr. Toth: — Thank you, Mr. Deputy Chair. Mr. Deputy Chair, and Mr. Minister, I've been listening with interest as you've ended the debate with the member from Kelvington-Wadena. And I find some of the analogies that you draw, I think . . . it seems to me you're drawing a fairly long bow and maybe stretching it to the point that it may burst sooner rather than later.

And when you start comparing the Thatcher years and the Devine years and the demise of the province and the debts and what have you, I think, Mr. Minister, a comment you made in Moosomin is a little more appropriate and I think at that time . . . acknowledging the fact of the difficulties of the '80s. And I think there are Conservative governments . . . I look back, and I look back at the '30s and I see when the Bennett government or the Anderson government was elected, and unfortunately just elected at the beginning of the drought and the Dirty Thirties. And what can governments do when you're facing very difficult economic times?

And certainly the '80s, while they weren't positive times as far as the conditions that we're facing — the world recession that was taking place at the time, the many factors that the former government had to deal with as far as drought conditions and the problems that they were plagued with, with grasshoppers. And then you just finished telling us . . . asking us, prior to Economic Development coming in, talking about the enormous amount of money that was being spent in social assistance in this province, over \$800 million.

And I think it seems to me that with the increase that has gone there, it is somewhat problematic, if you will, of the problems that you've been faced, and the fact that we've seen an increase in people dependent on social assistance at a time when, if you will, the economy has turned around. And, Mr. Minister, we should be finding people who are finding jobs rather than going to social assistance and that department increasing its spending.

One would have to ask, Mr. Minister, if the increases there have

come as a result of the poor job done by the Economic Development department in this province. And, Mr. Minister, I know that when we take a long look at the economy, take a long look at where you're going and your department is going, well there are areas I think, Mr. Minister, I'll certainly give some credit . . . there's some credit due. There are many areas where we need to raise some real questions as to what has really transpired.

And I look at, Mr. Minister, I look at the fact, while you may be able to stand today and say yes, we've got 2,000 more jobs I believe in the last month or so, and our job figures have gradually, finally been rising, I don't believe you've quite attained the job level or the workforce that was there in 1991. Which certainly conflict with your comments about the workforce and about governments of the '80s and of the Thatcher years being opposed to the working people in the province of Saskatchewan.

I think when you look at the numbers, and you look at the fact that the province of Saskatchewan only achieved over a million people through some very difficult times, and it was about the mid-'80s when we finally hit the magic million persons living in the province of Saskatchewan. And we rose above that; we've dropped back a bit. I believe there's a marginal increase again.

But certainly, Mr. Minister, the comments you were making seemed to somewhat contradictory of what has transpired over time. And it would seem to me, Mr. Minister, that . . . I'm not exactly sure that you can say that governments back in the '60s and governments in the '80s created an atmosphere where there weren't jobs created. Because I think you would have to admit there were jobs created.

In fact the Premier last night acknowledged some of the decisions and some of the economic development today that you are beneficiaries of, such as Saskferco. And he talked about the jobs and the increased expansion at Saskferco which is going to mean more jobs to the province of Saskatchewan. And one has to ask, where did that come from?

It's interesting to note, while that project was condemned, all of a sudden Cargill's project up at Clavet with the oil crushing plant, that's become a good company in the province of Saskatchewan.

And we see Flexi-coil and what it's done to expand. We see communities like Saskatoon and the economic development there. And a lot of that has been not as a result of government policy, but it's been a result of some positive attitudes by business people in the province of Saskatchewan.

He talked about tourism, Mr. Minister. And I would suggest that the tourism department is certainly going to have the work cut out for it, especially when they invite people to Saskatchewan, and then on top of it they put in place a 1-800 number so that people can call to find out which route they should travel because they don't want to send them over some of the poor roads in this province. Although I think they're going to have difficulty telling them which roads to follow because I'm not sure there's a highway in this province right now that you would really want to send people down to find a

tourism destination.

I understand the truckers, if they don't have to stop in Saskatchewan, head into Montana and move across the American states and then come back up into Manitoba.

And so there are . . . I would believe, Mr. Minister, that certainly your work is cut out for you and the work of your department, if we're going to promote economic development in the province of Saskatchewan.

What I'm saying, Mr. Minister, is while you may want to condemn some of the policies back in the '80s, I think a person needs to be careful as to how you go about condemning them, because I think many times when you're pointing a finger, usually there's three fingers pointing back at an individual such as I may be showing right now. And we need to be careful in the fact that it's maybe nice once in a while to acknowledge that yes, there was something positive. Yes, as I indicated, I think the job numbers just over the last month may indicate that there are some positive things that you can point at.

So I'm not going to come out and condemn you for the lack of jobs that have been accumulating over the past number of years, realizing that there are times and there's blips and there's bumps, but realizing as well that we shouldn't just stand up here and say, well because of your policies we've lost a lot of jobs. Although I would have to suggest to you, Mr. Minister, the CCTA (Crown Construction Tendering Agreement) agreement certainly does provide an atmosphere that isn't really conducive and doesn't create a good working relationship between the business community and labour at this time.

And I don't think it's our endeavour to just always drive a wedge, whether it's in the former Conservative years of the '80s or whether it's in the NDP (New Democratic Party) years of the '90s right now. I think the idea of economic development is contingent upon creating a climate where the business community feels comfortable and where working people . . . when I say working people, I don't say unionized people. I talk about working. The person on the street who wants a job, and in many cases many people in this province choose not to be involved in unions.

And I guess the concern I have is when we have the SFL (Saskatchewan Federation of Labour) and some of the other unions suggesting that they need to be protected because many people may choose to work outside of a union. And I don't think it's in the best interests of working people in this province to always suggest that we need to have rules and guidelines that live or work around labour agreements. And I think there's a place for unions; let them work. Let them prove that they have the ability to compete with the non-unionized sector.

So as we get further into this debate in Economic Development, I think it's important that we point out that while the CCTA agreement that we have as it exists today, certainly discriminates against the employer out there who would really like to provide jobs for many young people who are now writing their grade 12 exams, and certainly university students and many of them who have come to me asking if there's any job opportunities, because they're looking forward to trying to

get back to complete their university programs so they can get on with their lives.

And, Mr. Minister, I know I've raised a number of points and certainly I'd be interested in your response, as I believe your response is just going to generate some more questions. And so I'm just waiting for them and I'll give you a moment to respond.

Hon. Mr. Lingenfelter: — Just to respond to the member opposite who indicated that his belief that the tough times during the 1930s were as a result of the drought. Obviously the worldwide depression that occurred in the '30s was exacerbated by drought in certain parts of the province, but had very little to do with the drought in Saskatchewan. This was a worldwide phenomenon brought on by what many would argue, unfettered free enterprise without proper regulation, proper structure to stock markets, and without proper protection for workers, without proper social nets for families that in Canada created disaster for many, many families. It's true that in Saskatchewan, certain areas of the province had extreme drought and this made it much worse. And history will tell you that Saskatchewan was one of the hardest hit areas of North America because of that doubling up of what was a world depression as well as lack of crops.

But even those areas in the Regina Plains where there was in some areas of the province where crops continued to be produced at average production, you will know, being from a farm background, that were instances where people shipped cattle for example, and got a bill from the shipping company because the price they got for their animal at the end of the road didn't quite cover the cost of shipping it.

And so I say to you that the depression that was caused, I would argue, and there's much analysis about it, the damage that it did to families was in large part because there were none of the social structures or the safety nets that we now have in place.

And of course, that's what worries us a great deal about right-wing governments and right-wing parties talking about the dismantling of social programs to take us back to those days that we've already experienced. And if we don't understand that we've already gone that route, with the disaster that occurred during that world depression as a result of not having any of those processes in place, then we would be doomed to repeat them all over again.

And I don't take away from many of the things that you would argue for, and represent, and say that everything you represent is bad and that nothing that was done during the 1980s had any meaning. Of course that isn't true. My argument is that the balance and the pendulum during those days, swings too far away from working people and doesn't do enough in terms of social programs and safety net. And even economists in the 1990s like Lester Thurow, talks about the need for a better distribution of wealth.

The Premier mentioned it last night, where it is now the case that 1 per cent of the population receive 40 per cent of the income. This is double what it was in the 1970s where 1 per cent of the population received 20 per cent of the income. That

has doubled and is almost back where it was in that period leading up to the Great Depression in 1919.

(1215)

And so our comments here today is, it's not black and white. These are not times for hard-core philosophical debates about this is right and that's wrong. It's all nuances and margins of where you want to position yourself so that the proper amount of the economy, and the benefits of the economy, go to the business person, and the proper amount go to the people who work in the factories or work in the telcos or work in the new computer companies.

Our argument is, is that if you go to the extreme, if you go to the extreme of too much government involvement in the economy, that's not great. But if you go to the extreme of the right wing where you say you remove all the regulatory processes on environment, on labour legislation, that will not work either. And I think the reason our economy today is working in sync, where we have a good relationship in general between working people, business, and government, is because we are arriving at an appropriate balance.

Now you may argue the other side, that it's shifted too far towards working people. But I would argue if you go to the businesses that are paying minimum wage and interview the moms and dads or young people who work there, you would have a different opinion about the amount of money that they're taking home and trying to raise their family on.

And I'm sure you're not saying that we should get rid of the minimum wage. But to say that minimum wage is way too high and people are flush who are earning something around \$5 an hour, all you have to do is try to live on \$5 an hour and raise a family, and you would know full well that this is not an easy task. That renting an apartment, let alone trying to buy a house and raising one or two kids when you're at that end of the spectrum, that these people are not living high on the hog, that they're struggling along.

The other thing I would argue is that as we can see fit . . . and I say that carefully because I want to recognize that when you increase minimum wage, there are repercussions and there's, for every effect, there's a cause, and every cause, there's an effect. And so these have to be weighted and weighed very, very carefully. But for right-wing parties to say that we have people out there who are earning way too much — give me a break. Go out and try it. Go out and try to work for minimum wage and we'll see just how many movies you can take your kids to, let alone how many new pairs of jeans or coats in the wintertime you can buy for them.

And so I really think this is where we define the difference. And I'm glad to see that you're arguing and defending the Thatcher government of the 1960s and 70s because that clearly delineates the opposition, Liberal and Tories, as it affects working people, with our party. Because I want to make it clear that no one will ever get me to apologize for the fact that I stand squarely, every day, for the working people of this province. That there is no doubt that that's where our party comes from. It's the basis of our party. We come from the element of small

business, farmers, and working people.

And anyone who will try to put that wedge in between working people and business, which I think you have to admit was done during the 1980s for political reasons, for very crass political reasons, it just doesn't work, and it's not in the best interest of working people, and it's not in the best interest of small-business people either because of the money you pay to the people at the bottom of the economic ladder quickly comes back into the economy to be recirculated.

I'm not sure that that's always true of the individuals in the 1 per cent who are taking 40 per cent of the income. I think there's a heck of a lot more leakage on that money going outside the province to be spent in other parts of the world than there is on the people who are earning low income or minimum wage.

Mr. Toth: — Mr. Minister, interesting. Following your analogy of, if you will, the working poor and the differences between the individuals in our society who maybe are taking the smaller portion . . . the smaller percentage of people that are at the high level.

But I would suggest to you, Mr. Minister, that number one, maybe coming back to the analogy of pointing the finger and the finger pointing back, thank you so much for the invitation to join you out at your humble abode. I'd be more than pleased to have just a portion of that abode to live in.

And I think if you invited people from Elphinstone out to view your house, Mr. Minister, they would begin to ask themselves, exactly what is our member talking about, the Minister of Economic Development, when he talks about working people and the difference between working poor . . . I think if they looked at what they're living in and what you're living in, they would say, well I'm not exactly sure that this minister really understands where we're at.

But that aside, Mr. Minister, I think if you take a look at the Conservative years and you take a look at what John Diefenbaker did for Canada . . . John Diefenbaker, while he was a Conservative and while he certainly represented business interests, John Diefenbaker also had a heart for the people at the bottom end.

I think, Mr. Minister, if you take a look at the '80s — I'm just not sure and I'm going to have to double-check on this — I believe the minimum wage also increased in the '80s. So you can't really argue that during the '80s that people were left out. There was certainly an increase in the minimum wage at that time, a recognition of bringing the minimum wage into closer relationship with what businesses could afford.

And I think at the same time, when you talk about minimum wage, we talk about the whole effect of what it may have on the small-business community. You talked about the ability of people going and supporting our small businesses. And, Mr. Minister, I think your government is even aware of the fact that if you were to substantially increase the minimum wage, while it may help a number of people at the lower end of the wage scale, it's also going to take away from the ability of people to

find employment in this province because many small businesses are not in a position to just absorb a major increase in the minimum wage and continue to offer the jobs that they have today.

So those are some things that have to be weighed in the balances and on the scale, Mr. Minister. And so I don't think it's just a flat, we increase the minimum wage today because we're trying to help the working people at the bottom. We also have to be mindful of the persons who are out there who are trying to exist and live based on what income that they have to work with and the number of people they would like to employ. So there are many factors that come into play.

However, Mr. Minister, the problem I find is, such as when we look at the CCTA agreement, the fact that if we're talking about helping working people . . . And I think we all agree that when we come to working people, while we bring in the term working people, most of the time, like the CCTA agreement, is more to look after your union friends and colleagues out there rather than thinking about the person who really is looking for a job out there, Mr. Minister. And there's two differences.

Even the comments the Premier made last night about the non-union and unionized contracts and the jobs out there . . . And the unfortunate part, while he got up and ranted and raved and put on his tough demeanour, the fact was, Mr. Minister, he really wasn't comparing apples with apples. He was comparing apples and oranges.

And there are two different options, opportunities, out there for people to apply for jobs. And the CCTA does indeed, Mr. Minister, inhibit all contractors in this province being able to tender on a fair tendering policy. And then let the, if you will, the Crown construction . . . or the Crown companies determine who they want to hire. And if they really want to show that they're dealing fairly with all people, they would open up the tendering program . . . tendering policy to include all contractors. And then they would look at who would give them the . . . who would be the most qualified contractor that would be able to provide the work at the most economical bid possible.

And so, Mr. Minister, all we're asking of you is to allow for a level playing-field rather than creating a playing-field that isn't as fair on one side, and saying it is because there are so many non-unionized contractors who actually are getting work in other avenues of government and working outside of government. So it's very interesting, Mr. Minister, as to some of the analogies that you bring forward.

And, Mr. Minister, the member from Kelvington-Wadena did talk about the STEP program and it's . . . here again we come to another program where, I think, your government had indicated that you were going to launch this program as of sometime in June and now it's put off to August, and one begins to wonder whether or not it's . . . August is going to move into September or we're into December.

Mr. Minister, I'm wondering why this launch of this program has been put back. Is it because of the fact that the session has moved into June? Was the whole launch supposed to be so . . .

at a time period when there may not be any close scrutiny of the program and therefore since the session has moved well into June and possibly to the end of June, we're now moving back the official launch to August? Can you give us the reasons for the hold-up in the launch of this program?

Hon. Mr. Lingenfelter: — I just would refer the member to a recent report by Bruce Johnstone, the financial editor in the *Leader-Post*, who in a report, commented that the launch has been changed from June to August, and in that article he says . . . and here it's only the official launch. If you were to go out to the Western Canada Farm Progress Show, you would see STEP already doing work and working at the international trade reception area.

This is only the official launch and the reason is, as Milt Fair, the chairman and CEO (chief executive officer) says is because the facilities aren't ready yet. And it's nothing more complicated than that. The office space that they're going to be moving into, where you would obviously want to go and have the official opening, it isn't ready yet.

And so if you're looking for some sinister plot here, all you would have to do is go and talk to the carpenters and the tradespeople who are getting the space ready for them. It's not quite ready, but you will be invited, as will our critic from the Liberal caucus, when it opens up in August.

The committee reported progress.

The Assembly recessed until 1:30 p.m.

The Assembly met at 1:30 p.m.

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Bjornerud: — Thank you, Mr. Speaker. I rise today to present petitions of names from throughout Saskatchewan regarding closure of the Plains Health Centre. The prayer reads:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The communities involved are Lumsden, Bulyea, Craven, and Bethune, Mr. Speaker.

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present petitions of names from throughout Saskatchewan regarding the Plains Health Centre closure. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The names on this petition, Mr. Speaker, are from Regina, from Balgonie, from Assiniboia, McTaggart, Coronach, and other centres throughout the province. I so present.

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, I also rise to present petitions of names from throughout Saskatchewan regarding the Plains Health Centre. The prayer reads as follows:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed this petition are from the communities of Kelliher, Francis, and city of Regina. I so present.

Mr. Gantefoer: — Mr. Speaker, I rise as well on behalf of citizens concerned about the impending closure of the Plains Health Centre. The prayer reads:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

The signatures on this petition, in addition to the city of Regina, are mostly from Strasbourg, Govan, and Yellow Grass, Mr. Speaker.

Ms. Draude: — Thank you, Mr. Speaker. I also rise today to present petitions of names from people throughout Saskatchewan regarding the Plains Health Centre. The prayer reads as follows, Mr. Speaker:

Wherefore your petitioner humbly prays that your Hon.

Assembly may be pleased to reconsider closure of the Plains Health Centre.

The people that have signed this petition are from Birch Hills, Pilot Butte, Regina, Lumsden, Fort Qu'Appelle.

The Speaker: — Order, order.

Mr. Aldridge: — Thank you, Mr. Speaker. I too rise to present petitions of names of Saskatchewan people with respect to the Plains Health Centre. And the prayer reads as follows, Mr. Speaker :

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

And those who have signed this petition, Mr. Speaker, are from the communities of Stoughton and of the city of Moose Jaw. I so present.

Mr. McPherson: — Thank you, Mr. Speaker. I rise with my colleagues today in presenting petitions on behalf of the people from southern Saskatchewan in their efforts to try and save the Plains Health Centre here in Regina. The prayer reads as follows:

Wherefore your petitioner humbly prays that your Hon. Assembly may be pleased to reconsider closure of the Plains Health Centre.

Mr. Speaker, the people that have signed this petition, many of them are from the Swift Current area, Assiniboia area, and in Regina. I so present.

Mr. Goohsen: — Thank you, Mr. Speaker. I'm happy today to present petitions on behalf of people from the Shaunavon area, and the prayer reads as follows:

Wherefore your petitioners humbly pray that the Hon. Assembly may be pleased to allocate adequate funding dedicated towards the double-laning of Highway No. 1; and further, that the Government of Saskatchewan direct any monies available from the federal infrastructure program towards double-laning Highway No. 1, rather than allocating these funds towards capital construction projections in the province.

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

I so present.

The Speaker: — Order, order. Now the . . . Order. The Speaker is having difficulty hearing the . . . Order. I'll ask all hon. members to come to order.

Mr. Heppner: — Thank you, Mr. Speaker. I rise to present a petition and I would like to read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to allocate adequate funding

dedicated toward the double-laning of Highway No. 1; and further, that the Government of Saskatchewan direct any monies available from the federal infrastructure program toward double-laning Highway No. 1, rather than allocating these funds toward capital construction projects in the province.

As in duty bound, your petitioner will ever pray.

And these come from the people who ought to know — from Shaunavon, from Tompkins, and that area. Thank you, Mr. Speaker.

Mr. Toth: — Thank you, Mr. Speaker. I am pleased as well to stand in this Assembly and present a petition to the Assembly. And I'd like to read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to allocate adequate funding dedicated toward the double-laning of Highway No. 1; and further, that the Government of Saskatchewan direct any monies available from the federal infrastructure program toward double-laning Highway No. 1, rather than allocating those funds toward capital construction projects in the province.

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

And, Mr. Speaker, this petition is signed by individuals from Regina, from Eastend, Cabri, and it appears to me a number of neighbours of the Minister of Economic Development, of the Shaunavon area.

READING AND RECEIVING PETITIONS

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

Of citizens of the province petitioning the Assembly to reverse its decision to close the Melville court-house; and

Of citizens of the province petitioning the Assembly to allocate adequate funding to the double-laning of Highway No. 1; and

Of citizens petitioning the Assembly to reconsider closure of the Plains Health Centre.

INTRODUCTION OF GUESTS

Mr. D'Autremont: — Thank you, Mr. Speaker. To you and through you to the Assembly, I would like to introduce, seated in your gallery, Mr. and Mrs. Garnet and Jeannie Ball from the Alida area.

Garnet is the cousin to our page, Jocelyn Arthur, and is also very involved in the struggle against Allan Rock and Bill C-68. In that context he works very closely with the Minister of Justice, the minister for the Environment, and all those around the province that are also involved in the struggle against Bill C-68.

I would ask the members of the Assembly to welcome Garnet and Jeannie to the Assembly today.

Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you very much, Mr. Speaker. I am very pleased to introduce to the House today my constituency assistant, Susan Veenhoven, who is sitting in your gallery — if you would stand, Susan.

Susan and I were given an excellent introduction today by yourself and members of the Legislative Assembly . . . not members, but staff of the Legislative Assembly, regarding the new directives. And we're most appreciative. And she indicated to me that she feels much enriched and much more heavy on her return home to Saskatoon, given that she's now going to be taking about 10 extra pounds of paper.

So if everyone would warmly welcome Susan — it's her first time in our Legislative Assembly. Please welcome her today.

Hon. Members: Hear, hear!

Mr. Tchorzewski: — Thank you, Mr. Speaker. It's my pleasure through you to the House, to introduce a group of students from St. Theresa School as well as their teacher and chaperons who are seated in your gallery. They are grade 4's and 5's and there's 31 people in the group, Mr. Speaker. The teacher is Ms. Leona Farago and the chaperons are Mrs. Hindmarch, Mrs. Bourgeault, Mrs. Klein, Mr. O'Byrne, and Mrs. Grad.

I am going to spend some time with them after question period to answer questions that they have, which I hope will be of as great a quality as the questions that are going to take place in question period, Mr. Speaker. And I would like to ask you and through you to other members of the House, to join me in welcoming these students from St. Theresa School.

Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, it's my pleasure to introduce a special person to the Assembly today. He's just completed his grade 9 exams and I'm sure all members would want to join with me in welcoming our son to the Legislative Assembly, Paul Simard-Smith, who's seated in the west gallery. Paul.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Sutherland Celebrates 40th Anniversary of Amalgamation with Saskatoon

Mr. Koenker: — Thank you, Mr. Speaker, 1996 is a special year for the Sutherland community in Saskatoon and I'm honoured to be its representative in the Legislative Assembly. It marks the 40th anniversary of Sutherland's amalgamation with the city of Saskatoon.

Prior to 1956, Sutherland was a railroad town located about a

mile from the city. The people there worked with Canadian Pacific Railway or in downtown businesses.

Sutherland was then a typical Saskatchewan town with a general store, a bank, hotel, service station, candy store, grocery store, Chinese restaurant, and town clerk. Sutherland had its own distinction but Saskatoon began to grow and Sutherland needed to upgrade things such as roads, sewers, and electricity, and only had a tax base of 1,500 residents.

And so the town came up with a list of 20 items it wanted if it was to join the city of Saskatoon. They had to consider police and fire services as well as bus routes.

There was also concern about being swallowed up by the larger city and not having an equal say in this larger configuration. Once the city responded to this list, the joining of these two communities was completed in 1956.

Mr. Speaker, this is a story of amalgamation that has worked to everyone's satisfaction. For the past 40 years the community of Sutherland has played a significant role in the economy and well-being of the city of Saskatoon and will do so for the next 40 years.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Activities in Humboldt and Muenster

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize two noteworthy events in and around my constituency.

The first of these events at which I was present last weekend was the 75th anniversary of the Muenster diocese. The celebration at St. Peter's Abbey included an outdoor mass led by Abbott Peter Novocosky of Muenster, Archbishop Peter Mallon of Regina, and Archbishop Blaise Morand of Prince Albert. The Muenster diocese is the third oldest in Saskatchewan and the smallest in size. It has provided a strong leadership and spiritual guidance to its people, for which we owe it deep gratitude.

The second event is the sixth annual Sommerfest to be held in Humboldt this weekend. The three-day celebration of German-Canadian culture will include a parade, a fun night, a volksmarch and much more. I look forward to celebrating with Humboldt a little bit of Germany in the heart of the Prairies.

Congratulations to the Muenster diocese and hats off to Humboldt for Sommerfest '96.

Some Hon. Members: Hear, hear!

Western Canada Farm Progress Show

Mr. Flavel: — Thank you, Mr. Speaker. Mr. Speaker, the Western Canada Farm Progress Show officially opened at noon today at Exhibition Park. This is a major, world-class event, a showcase for western Canada and for prairie dry land farming

operations and manufacturers. This is the 19th farm progress show and its success has been above and beyond everyone's expectation — and "Above and Beyond" is this year's theme.

There will be 700 exhibitors in 770,000 square feet of space, indoors, outdoors, upstairs, downstairs, and some out in the fields for demonstrations, and above and beyond to satellites, lasers, and mapping, to catch a glimpse of a future beyond belief.

Every year manufacturing and trade delegations come from around the world to see the latest in agricultural technology and equipment and to look at new ideas and good buys. This year there will be delegations from 20 countries and all continents — buyers and sellers, importers and exporters — who will meet and make deals and negotiate contracts.

The people at Exhibition Park have put this show together and have made it a tremendous success. It is also a real partnership because it involves agriculture, industry, manufacturing, and all levels of government. The international business centre, for example, is a joint venture between the three prairie provinces and Exhibition Park. A spirit of cooperation has always been essential on the Prairies.

I want to congratulate everyone — to Regina and to all the people involved in the Western Canada Farm Progress Show — and may it be an enormous success for everyone involved. Thank you.

Some Hon. Members: Hear, hear!

Lumsden Students Win Awards at National Science Fair

Ms. Murray: — Thank you, Mr. Speaker. Today I'd like to congratulate a number of students from my constituency who are gaining recognition as young scientists. Christopher Strong and Tyler Nightingale are grade 12 students at Lumsden High School. They recently won a gold medal at the national Science Fair in North Bay, Ontario.

Mr. Speaker, this is quite an accomplishment because there were about 400 projects in total at the science fair and as many as 100 in their division. This is the first time Lumsden High School students have ever won this award for physical science.

Their project is called the "Tri-pivot Ferris wheel." The purpose of the project was to develop, with the help of calculus, trigonometry, and computer spreadsheets, previously undefined properties affecting a person riding on a non-existent carnival ride. Then the objective was to design an original computer program to display these properties, including the distance-time equation, acceleration magnitude equation, and net force on someone riding this Ferris wheel.

Christopher and Tyler will be graduating from Lumsden High School this year and are planning to enrol in the engineering faculty at the University of Regina. I would also like to congratulate two other young scientists who are also 1996 Saskatchewan Science Fair winners. They are Michelle Yaskowich and Robin Bechard, also from Lumsden. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

50th Anniversary of Nipawin Rotary Club

Hon. Mr. Renaud: — Thank you, Mr. Speaker. This past Saturday on June 15, it was my pleasure to attend a banquet celebrating the 50th anniversary of the Rotary Club of Nipawin. Over the last 50 years, the Nipawin Rotary Club has made a great contribution to the quality of life in Nipawin and district. As with other Rotary Clubs across Canada, they have sponsored the international student exchange program which has allowed many of our young people to gain firsthand experience on different countries.

It has also allowed people in Nipawin to host students from all over the world. This year, Jan Queck from northern Germany has attended grade 12 at L.P. Miller High School, and will join in the graduation ceremonies with his new friends. The student exchange has been an excellent means for creating international understanding.

The Nipawin Rotary Club is also very active in the local community. They sponsor the annual Courtesy Clerk Of The Year Award, which recognizes excellence in the retail sector. They organize cultural events like the annual Christmas carol festival and the old-time fiddlers contest. The Nipawin Rotary Club also sponsors the children's bicycle safety rodeo and events at the regional park.

To mark the 50th anniversary of their club, Nipawin Rotarians are donating to the construction work on the petting barn at the Nipawin Regional Park, adding to the attraction of this fine facility. I would ask all members to join with me in thanking the Rotary Club of Nipawin for their 50 years of distinguished service and in wishing them all the best in their next 50 years.

Some Hon. Members: Hear, hear!

Saskatoon Kiwanis Clubs Strengthen Communities

Mr. Pringle: — Thank you very much, Mr. Speaker. Mr. Speaker, I had the recent privilege of speaking to the Downtown and the Nutana Kiwanis clubs in Saskatoon. They had nice turnouts at both events and very hospitable members, and the topic was: what is community in this rapidly changing world, and importantly, how do service clubs play a role in strengthening our communities?

Mr. Speaker, the service clubs are already doing much. They are dedicated people, compassionate, and there are many important initiatives. For example these two clubs in Saskatoon are supporting child care for teen moms, youth camps, and recreation programs, inner city initiatives, the Saskatoon Institute on the Prevention of Handicaps, and Services For Seniors, just to name a few of the important things that they're doing.

Impressive role of reaching out, of touching neighbours, of making a difference, of supporting others, Mr. Speaker, and I know that not only these two service clubs but all service clubs across Saskatchewan are playing an important role to strengthen

our Saskatchewan communities and I know that all hon. members would agree with that.

So I commend them today. Thank you.

Some Hon. Members: Hear, hear!

Improvements in Regina Coronation Park

Mr. Trew: — Thank you, Mr. Speaker. As I was driving home last night I was reflecting on how things never seem to change, right up until I hit the border of my constituency. And it struck me. We've got a multimillion-dollar CN (Canadian National)-Lewvan Drive underpass under construction right now.

I go over a couple hundred yards of very rough pavement that will be of course replaced as the underpass is built; hit Pasqua Street that was newly paved just last year. Heading north I see the new SaskTel Pioneer hall that sponsors a blood donor clinic every Thursday evening, smack in the middle of my constituency; turn off towards home, drive the last few blocks on fresh pavement from last year, and if I look the other way, they're paving more blocks of it this year.

If you go a little bit further north, just beyond the edge of my constituency, we have the construction of Winston Knoll high school taking place right now. I forgot the upgrade to Ring Road and Pasqua Street that was done a few years ago. A quarter of a million dollars spent on Pasqua and Highway 11, reducing the injury . . . or the accident rate by over 50 per cent.

There's lots happening, Mr. Speaker, and I'm delighted that much of it's happening in Regina Coronation Park.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Health Care Funding

Mr. McPherson: — Thank you, Mr. Speaker. Mr. Speaker, as members of this House are aware, at least four communities are taking legal action to prevent the NDP (New Democratic Party) government from cutting local health care any further. In fact the actions of Radville, Fort Qu'Appelle, Canora, and St. Walburg, may be followed by other communities which are contemplating legal action.

Will the Minister of Health tell this House how many other communities, in addition to the four I have already mentioned, have put an ultimatum to this government? And are we going to see yet another legal fight along the same lines as those that we saw in the 52 communities when they first closed those hospitals?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, as I think the member knows, we live in a free and democratic society. And one of the aspects of that kind of society is that people have freedom of speech. Another aspect of that kind of society is that people have access

to the courts. And if they feel they've been aggrieved, they can go to the courts of law. When that happens those matters wind their way through the courts and it really isn't up to the members in this House to comment on what's happening there.

But I want to say to the member that our view of the situation is that it is better for communities to try to get together and within the resources available, which ultimately come from the federal and provincial governments, to make the best health care decisions they can. The member may feel that the best way to run society is in an adversarial relationship, to take matters to courts instead of talking them out. That is not the view of our government; that is not the view, we think, of the majority of people in our communities, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. McPherson: — Mr. Speaker, obviously the minister forgot about the letter that we raised only weeks ago when he encouraged a six-year-old boy with hepatitis C to take the government to court. And now he's saying, well don't use the courts.

Mr. Speaker, as I mentioned, four communities are taking legal action because of this government's chronic underfunding of our health care system. Others are bound to follow suit. This NDP government has invited such action because it has abandoned the most vulnerable people in Saskatchewan. And this is just the beginning. On the heels of major health care cuts, many health districts are anticipating more cuts next year.

Mr. Speaker, obviously this government intends to do little to address the needs of the sick and the elderly. Will the minister explain why communities have to take legal action before this government will open its eyes to the mess that they have created?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, as the member knows, I have provided documentation to the member which demonstrates in fact that this government has put \$47 million new money into the health care system this year to replace money taken out of the health care system by the Liberal Party, which is presently the government in Ottawa. The member knows that, Mr. Speaker.

I would say to the member that what we have to do is build a health care system that makes sense for people in this day and age. Things have changed. Things change for many reasons. They change because of federal Liberal cut-backs in health care. They change because of the legacy left by the Conservative Party in office for which we pay \$860 million each year interest. They change because technology has changed. They change because trading patterns change. They change because population centres change. And they change because of consumer choice.

But I say, Mr. Speaker, as I've said in this House before, that we're going to take care of the sick and the old that the member likes to refer to. We're going to continue to have the best health care system in the world, with or without the support of the

Liberal Party, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. McPherson: — Mr. Speaker, what the minister fails to tell the House is in fact many people that have contacted the Liberal opposition, before they could get any health care, it had to be raised in this House. And for that, Mr. Minister, you should be ashamed.

Mr. Speaker, if the court system is forced to deal with this government's failure to meet its health care obligations, one has to question who will win in the end. And I think the answer to that is clear. No one will win. And the fact is, every dollar that this government or the district health board spends to defend itself in court is one less dollar that will be there to provide services for our sick and our elderly.

Will the minister explain why he and his government will not diffuse this legal time bomb by simply providing the adequate funding needed to give us a proper health care system that we had before your government got into power.

Hon. Mr. Cline: — Well of course, Mr. Speaker, as the member well knows, the health care system we have in this province, and which we now have across the country, was pioneered in this province over the opposition of that party. But I want to say to the member that I agree with the member that it is better to talk things through. It is better not to try to settle matters in court that should be settled by reasonable people acting in good faith. And that's what we're trying to encourage, Mr. Speaker.

But I want to say to the member, Mr. Speaker, that the response of the Liberal Party that was given in this House before, that we should go to an American-style health care system — pay as you go — instead of having medicare, is not adequate.

And it is not adequate to do what the Liberal Party did last night in response to questions from the Premier. When the Premier challenged them to say what they would do, they said the people would have to wait until 1999 to see what they would do. In other words, elect us first, and then see what we'll do.

We know what they'll do, Mr. Speaker — user fees, two-tier, U.S.-style (United States) health care, and the end of medicare. That's what they want to do, Mr. Speaker.

Some Hon. Members: Hear, hear!

Eaglestone Lodge Closure

Mr. Bjornerud: — Mr. Speaker, I brought to the attention of this House several weeks ago the fact that the provincial funding to operate the Eaglestone Lodge in Kamsack will end at the end of August. In order to ensure that this level 1 and 2 home continues to serve its 45 residents, the town of Kamsack and surrounding municipalities are setting up a non-profit society to purchase the facility.

The local health district has asked that a proposed budget be drawn up and staff have agreed to take a pay cut to meet this

financial target. Unfortunately labour laws dictate that a six-month period . . . before these union employees can be decertified.

Mr. Speaker, the community cannot wait six months. They need a provisional licence to allow them to renegotiate an employee wage package and make any necessary renovations without closing down the facility.

Will the minister make a commitment to intervene, provide an exemption, and do what is necessary to ensure Eaglestone Lodge continues to serve the seniors of Kamsack?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, I'm not familiar with the precise, specific situation the member's referring to. Of course I'm familiar with Eaglestone Lodge and the desire of the community to continue to operate the facility.

I would say to the member that generally speaking, if the employees are represented by a certified bargaining agent, it is best for the people that want to take ownership of the lodge to bargain with the certified bargaining agent of the employees, which would be the union concerned. It is not best, I think, that ministers of the Crown intervene in that process. And that's what I would say to the member at this point in time, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Mr. Speaker, this issue has already been taken up and they have been told that it will take six months, and in that six months this nursing home will have to be closed. So, Mr. Speaker, this issue is one out of the control of the local health board.

The board, the seniors who reside in Eaglestone Lodge, and their families, are looking to you, Mr. Minister, for help. Without an exemption or a provisional licence to operate Eaglestone Lodge, the facility will have to be closed until the union staff is decertified. And again, as I have explained, this is a six-month process.

Will the minister make a commitment to take appropriate action and demonstrate some level of commitment to our seniors in the Kamsack area?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — I will make a commitment, Mr. Speaker, to look into the situation that the member raised.

Crown Construction Tendering Agreement

Mr. Gantefer: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Labour or his designate.

Mr. Minister, your blatant lack of cooperation in dealing with the objections to the CCTA (Crown Construction Tendering Agreement) has forced the Saskatchewan Construction Association to take action. As of 12 noon today, they'll be boycotting SaskTel long-distance service, STC (Saskatchewan

Transportation Company) courier service, and SGI (Saskatchewan Government Insurance) insurance products.

Mr. Minister, your government has already caused a ticking time bomb in health care and now you're intent on doing the same to business and labour.

Mr. Minister, you've run from this problem long enough. What is it going to take for you to swallow your political pride, admit that you've made a mistake, and finally scrap this unfair tendering policy?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to say to the member opposite that nothing could be further from the truth — that we've run from this issue. Obviously we've been working diligently on it for some time.

I want to make it clear to the member opposite that we had a process in place of analysing and reviewing the agreement. Then as we have explained a number of times, a consensus started to build, and meetings were held, negotiations took place. The negotiations are now at a standstill, but as the Premier said yesterday, we are still optimistic that something can come and be resolved as a result of discussion, our facilitation, and compromise, and consensus building.

What I find interesting, Mr. Speaker, in the dying days of the session, is the scrap going on between the Conservative and Liberal caucus over this issue. Nothing to do with working men and women or construction jobs, but to see who can finish this session on the highest note.

Look, Mr. Speaker, we've been here almost as long as the Freeman at Jordan, Montana — 78 days. It's 76 today. Let us go home. Let us go home and do the work of the people in the constituency.

Some Hon. Members: Hear, hear!

Mr. Gantefer: — Mr. Speaker, my question is to the same minister. Today's news release from the Saskatchewan Construction Association said, and I quote:

SCA will not be returning to the table with the CLR and the trades council. That process is over. No one is anxious to boycott. Our options are limited.

The news release goes on to say that there is no doubt that the government has no interest in listening to the views of the majority of the construction industry.

Mr. Minister, the SCA is calling on your government to scrap the CCTA, join with the CLR (Construction Labour Relations Association) and the trades council and the Saskatchewan Construction Association at the negotiating table to forge an acceptable compromise.

Mr. Minister, will you make that commitment today, to scrap the CCTA and work with the concerned parties to implement a policy that is fair for all Saskatchewan workers and employers?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, one part of the member's question, I agree with, and that is working with the stakeholders involved to come to a compromise arrangement. This is exactly what we are attempting to do and will attempt to do over the coming days, weeks, months, if necessary.

I say to you, Mr. Member, that what you are doing here today . . . not having raised the issue for a number of days, but seeing the positive press that the Conservative opposition is getting on this issue, trying to jump on the bandwagon because of the foolishness that your House Leader has been raising as issues haven't been working.

I say again this has everything to do with the politics of ending a session. I was there 12 years, or 9 years, I know what that's about. Give it a break. They won the session. They won the session. Even Murray Mandryk says that you birds have lost this session. So let's agree — they won; you lost; let's go home.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Question period is not over. And we require all the hon. members to give attention to the hon. member for Moosomin.

Hospital Closures

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, it certainly would be interesting to get into this debate. But another question was raised with me this morning that it's imperative that I bring to the minister. And this minister I want to address this afternoon is the Minister of Health.

Mr. Minister, Saskatchewan families were hoping that your government's closing of rural hospitals would have come to an end, but unfortunately we're now into round 2.

Mr. Minister, we were informed this morning that as of October 1, there will be no longer a Wilkie Hospital because you are closing their acute care beds. And further to that, Mr. Minister, because of your cut-backs, Wilkie's 30-bed long-term facility could be in jeopardy as well.

Mr. Minister, rural people can't take the uncertainty any more. When will this stop? When are your cuts going to be finished? And when is your government going to finish closing rural hospitals?

Hon. Mr. Cline: — I find it interesting that the member would ask his question in quite this way, Mr. Speaker. Because first of all, the health board in Greenhead has come to a decision, but they haven't come to a decision to close down the long-term care facility in Wilkie, as the member indicates is imminent. They have decided to convert the Wilkie Hospital into a health centre.

But I want to say to the member, because the member did not indicate this, that they also have announced that the following services are going to be available at the Wilkie health centre: emergency services, radiology, palliative care, observation,

alcohol and drug services, public health, occupational therapy, wellness clinics for diabetes, heart control, cholesterol; laboratory services, out-patient services, dietician services, home care, mental health services, physiotherapy, and youth services. Doesn't sound to me like an institution that's about to close, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Minister, unfortunately people in Wilkie do not believe that is the type of service or the level of service that they were expecting. In fact, Mr. Minister, we were informed that a committee struck by the hospital district two years ago reports that Wilkie had the best structure for a hospital in the district, as well as the best location for a nursing home. Yet now we hear that your government is closing this hospital.

The Wilkie Hospital has been running at an average of almost 80 per cent capacity for years. In addition, the Wilkie Hospital and nursing home ran a surplus, Mr. Minister — ran a surplus of \$110,000 last year while Biggar had a deficit of 130 and Unity a deficit of 55,000. There have been no numbers provided to support the closure of the Wilkie Hospital — no study, no facts.

Mr. Minister, if there was justification for the closure, maybe it would be easier for people to understand, but that is not the case. Mr. Minister, will you take the time to meet with the Wilkie mayor and others and review this decision?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, no I will not be reviewing this decision. This is a decision for the local health board to make. And if the member is going to get up again, as he has in the House, and say that I'm blaming the health board, I'm going to say, no I'm not blaming the health board; I'm standing behind the health board.

If the member is going to say that I'm shirking responsibility for funding decisions made by this government, Mr. Speaker, I'm going to say to the member, no I'm not shirking responsibility because we have to accept responsibility for the budgetary decisions that we make here.

But the board has made a decision, Mr. Speaker, that the range of services that need to be provided in Wilkie are going to be provided out of a health centre. The difference is, they're not going to have acute care beds in Wilkie. The average daily census there has been about 5.4, I believe. They have made the decision, Mr. Speaker, that those services are going to be provided elsewhere, as they have for the most part for the people of Wilkie so far.

Some Hon. Members: Hear, hear!

Crown Construction Tendering Agreement

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, my questions are for the minister responsible for CIC (Crown Investments Corporation of Saskatchewan) or his designate. Mr.

Minister, we the people from justice county are not quite ready to give up yet.

Mr. Minister, yesterday you saw how serious we were about holding this House up until the Crown tendering review was released. You also saw how the Liberal House Leader does not support our actions, which indicates to us that we are exactly on the right track. It does look, however, like though that the member from Melfort has finally clued in to what's going on on this issue and how important it is to the people of Saskatchewan.

Mr. Minister, for weeks you've been talking about releasing the Crown tendering review. For weeks you've been telling us you're going to release a review. And then yesterday the Premier steps in and, pouf! — the review and the whole report vanishes into thin air.

Mr. Minister, will you do the right thing and release that report or review or whatever you want to call it?

Hon. Mr. Lingenfelter: — Mr. Speaker, I want to say to the Leader of the Third Party that he was doing pretty good until he tied himself into the Opposition House Leader. I think you just made a very serious mistake.

But I want to say to you again in a very serious way, as I mentioned to the member from the Liberal caucus when he asked the question, that there has been a process in place, of review, that has gone on for many months. Several weeks ago though, there was a coming together of the stakeholders and they began to meet to look at a compromise situation.

The review was put on hold. If you'd listen, you'd understand this and we could get on with it. The review was put on hold. We then went into the compromise, the discussions, which as you know, broke off a few days ago. We are still hopeful that we can get them going and finish this without imposing a settlement or a solution on the individual stakeholders. We would ask for your support in that.

As to the release of a report, there's no report. And if you're waiting for that, you just might have to wait a long time because we hope still to get a compromise settlement, which will mean no report has to be written.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Mr. Minister, for months you've been saying how your union-preference tendering policy is designed to improve the situation for working men and women and businesses in this province. Mr. Minister, 80 per cent of the workers cannot get jobs under this policy because they do not belong to a union.

The unionized and non-unionized contractors are no longer talking to one another, and you know that, Mr. Minister. And this morning the Saskatchewan Construction Association announced a boycott of government services like SaskTel long-distance, STC courier, and SGI insurance.

So you're really doing a bang-up job on this, Mr. Minister. Things are really improving here.

Mr. Minister, your government is now asking the two sides to show some good faith by going back to the bargaining table. Mr. Minister, will you show some good faith by scrapping this flawed policy and starting over on even footing with all sides at the table?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, it is not possible to start over, as the member obviously knows. As there's no written report, let me give you a verbal report and we'll see if we can get clear how this process works, because this is not very complicated; this is not rocket science.

We developed a policy known as CCTA. There were problems with it and we readily admit that. And we started a review. In the middle of the review a process started where the stakeholders began to negotiate and we thought a settlement was in the works. That didn't happen. We are now at a position of trying to get the stakeholders back to the table. If that doesn't work, then we'll have to continue the process of review and come to some sort of a conclusion. That's the report. If you want me to type that out for you in those terms, I can do it. But at this point in time that's the response and that's all there is.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Minister, the whole problem is your government has an agreement with the union that you can't change. You entered into an agreement, a five-year policy, a five-year agreement, and it's only one year into that term. And that's really funny because the Minister of Labour has a five-year term and you managed to get rid of him in just one year.

Mr. Minister, we all know that the CIC conducted a review of this policy. We know that CIC must have come to some conclusions about how the policy was working. We know that CIC must have come to some recommendations about changes that needed to be made, and if you don't want to call it a report, call it whatever you like, Mr. Minister.

All we're asking for is the results of the review, the CIC recommendations, and how your government intends to make any changes in this agreement. That's what we'd like to see, and the construction association would like to see that before the end of this session. I think that's a reasonable request, Mr. Minister. Will you do that for us today?

Hon. Mr. Lingenfelter: — Well I don't know what more I can say. I can say that the policy was implemented. As is the case in some instances, problems were raised. We said we would review them and look at it. We're in the process of doing that. A conciliatory process was started before the review was completed. We believe that will still bring a result. If it doesn't, then we'll have to complete the review and bring forward a report.

What I do know though, in the review as it was done so far, is what happened in terms of union, non-union, in terms of tendering in 1995. Of the projects tendered, about 25 per cent

of them were union, 75 per cent were non-union. That's of the tendered projects. That's where they went. That's the facts.

And as far as a written report, there is none. If you want to wait for it and hope that the negotiations break down and then a written report is made, then we'll stay here and wait for it.

Some Hon. Members: Hear, hear!

Ms. Haverstock: — Thank you very much, Mr. Speaker. My questions today are for the minister responsible for CIC or his designate.

Mr. Speaker, the more things change the more they stay the same. I have a newspaper article from the 1970s which proves that the NDP has had a plan to discriminate against non-unionized workers for decades. And this government has now brought this plan to fruition with its Crown Tendering Agreement.

Mr. Minister, a responsible government would want to know if its policies are working favourably. And you say you have no written report on the positive and negative aspects of the CCTA. If that is the case, Mr. Minister, you should be embarrassed by your irresponsible behaviour in not wanting to thoroughly evaluate your government's policy's impact.

If you have done an objective analysis, why would you choose not to share it? So which is it going to be? Are you admitting to be completely irresponsible, or are you hiding something?

Some Hon. Members: Hear, hear!

Hon. Mr. Lingenfelter: — Mr. Speaker, the longer we talk on this the more convoluted the opposition gets. Now we've got three groups vying to see who won the session.

But I want to say clearly to you, Madam Member, that if anyone should be embarrassed about the history of their party as it would relate to labour law, it would be Ross Thatcher and Bill 2 in 1967, which was one of the darkest days for working men and women.

An Hon. Member: — '67.

Hon. Mr. Lingenfelter: — '67, yes. And I want to say that if one wants to review labour law in this province, then you would know that your former leader, Ross Thatcher, although I understand at the time you were a Conservative, if you were involved in politics at all . . . It gets a little convoluted to keep track of whether it's Unionist, Conservative, Liberal, or Independent.

But I say to you, obviously this policy was under review — exactly what you're talking about doing. We reviewed it. We came to an arrangement where a compromise situation was brought about, where the stakeholders were at the table. That process is on hold at the present time. We're still optimistic we can get it back together. We would urge you to come onside and support that process, because at the end, it's best if we get a resolve through compromise rather than imposing a settlement on the stakeholders.

Some Hon. Members: Hear, hear!

ORDERS OF THE DAY

WRITTEN QUESTIONS

Hon. Mr. Shillington: — I can save the House some time if the House is of a mind to do so. I could table all of the answers to all of the questions today, in keeping with our policy of being open and accessible. So if the House is of a mind, I could save some time.

Some Hon. Members: Hear, hear!

The Speaker: — The answers to questions 113 to 121 are tabled.

GOVERNMENT ORDERS

COMMITTEE OF FINANCE

General Revenue Fund Economic Development Vote 45

Item 1

Mr. D'Autremont: — Thank you, Mr. Chairman. I'd like to welcome the minister and his officials here today.

Mr. Minister, we've heard a number of times how hog numbers and the production of hogs is supposed to increase in this province, the slaughtering in this province is supposed to be increasing; that the expectation is that we are going to move from somewhere less than a million hogs to about 3 million hogs produced a year in this province by the year 2000.

I wonder, Mr. Minister, what plans you have in place to facilitate that kind of an expansion in light of what's happening up in the Humboldt area where a large producer is attempting to put together another large hog operation, intensive livestock operation, and yet the RM (rural municipality) in the area is doing what they can to prevent that from happening. If that kind of scenario plays itself out across this province, Mr. Minister, we're going to have a great deal of difficulty expanding any of our hog operations.

So I believe, Mr. Minister, when you talk about moving to a 3 million hog production per year in this province, with that kind of scenario happening in the province, with that kind of an attitude taking place — and that, Mr. Minister, is your membership base that is doing that, that is organizing and agitating against this particular producer, against this particular intensive livestock operation — I believe that we're going to face a great deal of difficulty expanding any hog operations in this province.

So what plans do you have in place, what alternatives do you have in place, that would allow this hog operation in particular, and hog operations in general across this province, to meet those expansion plans that you have set forward of 3 million hogs per year.

Hon. Mr. Lingenfelter: — The member opposite brings up a good point, and that's the increased hog production in Saskatchewan and the goals and objectives that have been set under *Agriculture 2000*, the document that was released by the Department of Agriculture recently.

As you know, there's been a big shift in the production of hogs away from a multitude of small producers to a much narrower band of very large hog producer numbers, individuals raising large numbers of hogs. And this is a trend really across the world. And obviously we're not an island where we can ignore or want to ignore that.

And so you're seeing a number of very, very highly intensive hog operations coming on stream. I'm not going to list them out here but you'll know the various individual hog producers. The former member for Rosthern is very much involved in that group and does a good job of it in his own right. He's expanded it a number of times.

The other group I think, that is often missed as a major contributor to economic development in this province are the Hutterite Brethren, who on colonies throughout the province raise a good percentage of the hogs and continue to expand.

I want to say to you on the issue of the recent decision by the municipality to stop or to delay the establishment of an expanded hog process or a hog production unit in Saskatchewan, I think raises a very interesting issue. And that is, what are the rights of the farmers to produce food for the world, food for the communities, and the right of the individuals who live in that community on the environmental side?

Obviously all of the increase in production that has occurred in the last number of years — and it has been significant, the number of barns that have been built, I say again, by individual producers, by community groups, by Hutterite colonies — we have had no problem with this kind of an issue to this extent.

So one thing, first of all, I would do is not overreact to an isolated incident, because at this point in time it is. There are many, many projects on the drawing board and going forward. Many have gone forward and actually come to fruition without this kind of a problem.

That's not to say there isn't a problem of the environmental concerns of neighbours versus the expansion of hog barns or other intensive animal units. What we're doing in that area, in conjunction with the Department of Environment, Economic Development and Agriculture is looking at ways and means to eliminate the problems that are associated with intensive hog units.

And there are some very, very exciting new things that have been achieved and accomplished that really eliminate many of the problems of odour and waste disposal that we have historically known about as it relates to cattle and hog production.

So I think rather than overreact and get terribly worked up

about this issue, what we have to do is go out to those circumstances where the problem exists. And again, rather than throw gasoline on a situation and make it even bigger and brighter than it already is, is try and work out rational solutions; that is, what are the environmental issues that the people are concerned about, if that was the issue — because environment is one of our top, key concerns in this province and in our government, proper environment, because one of the beauties of Saskatchewan, one of the reasons people like to live here, is because of the quality of the environment — versus what are the needs of the community in terms of production of food, and even in some ways more importantly, the jobs that are created as we go through that process.

So I share your concern about this incident. But it is isolated and one that I think we can work our way through as we take the hog production, as you mentioned, from around 1 million to 2 million, which is our goal and objective over the next 10 years or so.

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

Mr. Trew: — Mr. Chairman, I beg leave to introduce some guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Trew: — Thank you, Mr. Chairman. And I thank my colleagues in the legislature for granting leave.

It's my great pleasure today to introduce to you, Mr. Chairman, and to the members of the legislature, 23 grade 5 students from St. Agnes School. St. Agnes is in Moose Jaw. Many will wonder why the member for Regina Coronation Park is introducing, but of course it will be known I'm introducing on behalf of Mr. Speaker who cannot be with us right now.

Accompanying these students are teachers Maureen Gilpin, Jan Mansell; and chaperons Cathy Cole, Mike Applin, Myrna Hatley, and Carla DeLaurier.

Mr. Speaker will be meeting with this group in a few short minutes for photographs and a short visit. I ask all members of the legislature to welcome this group of grade 5 students from St. Agnes School in Moose Jaw.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Economic Development Vote 45

Item 1

Mr. D'Autremont: — Thank you, Mr. Chairman. Well, Mr. Minister, it seems to me that in this particular case of the hog operations, the environment is used, in many cases, as a red herring in this particular case.

The idea that no two large hog operations can be closer than 16 kilometres together does not have any environmental basis for that decision. It's simply a decision that says we can have one hog operation in the RM and that's it, unless they're at the extreme ends of the municipality.

So I think, Mr. Minister, that it's simply being used as a red herring in this particular case, to say that the environment is the reason for it. I can certainly understand why people in the RM would have some concerns over the odour. I can certainly understand how they may be concerned if the extensive livestock operation, be it a hog operation or a cattle operation or whatever it might be, chickens or turkeys, was close to a stream bed or a river, that it might cause some problems downstream.

But to simply say that the hog operations can't be closer than 16 kilometres, then I think that flies in the face of environmental concerns, and the environmental concerns are simply being used as a red herring.

But let's move on to something else along the line of the hog operations though, Mr. Minister. If we develop the 3 million hogs being produced per year, we are going to need to have the facilities to process that kind of a supply. And hopefully we will develop the 3 million hogs and hopefully we can develop the processing plants to deal with that. Which brings me to an agreement that was made last year with Intercontinental Packers to develop a new processing plant or an enlarged processing plant at Moose Jaw, the Western Canadian Beef plant.

Well, Mr. Minister, I wonder if you could explain to us what the program was that you put in place to help out at Western Canadian Beef to get them back to work when they were on strike before the election. I believe they had been on strike for 18 months or some number like that, a considerable length of time.

The agreement was put in place to provide new jobs there. Perhaps this agreement allowed the company to pay a higher salary to their employees.

Anyway, whatever the case was, they went back to work just prior to the election with a promise that there was going to be something like 140 or 150 new jobs created at the Moose Jaw plant. So I wonder if you could explain that agreement that you put together just prior to the election?

(1430)

Hon. Mr. Lingenfelter: — Yes, just on the issue of processing, I want to say to the member opposite that obviously processing of the meat products is very important, and you'll know that at Wynyard we have a very, very important processing for chickens and turkeys, one of the best anywhere. Not as large as some in the United States and other parts of Canada but a very, very important processing plant.

In some of the smaller areas too, if you look at Melfort, Thomson Meats, and Drake Meats in Drake, Harvest Meats in Yorkton, and the myriad of smaller shops that process Saskatchewan-grown meat, you need only look around Regina and Saskatoon and there's many, many, many processing places

in our province that do an excellent job.

What's interesting, that some are now starting to capture international markets. Thomson Meats, for example, now has a component of their product, both beef and pork, that go into the Asia market, particularly the Japanese and Korean. And there is a whole area of specialized meats that is now opening up.

You really, I think, have two levels of processing going on. You have the big picture processing that produces boxed meat or special cuts of meat, the Mitchell's Meats that you're referring, and then a lot of the specialized that adds even a higher value, that puts the meat in a specialized package for a very, very particular market somewhere in the world.

Both of those we're very interested in going after and both are very important to our farmers and to the people who work in those plants.

In the case of Intercon, the deal that you're talking about which was worked out before . . . the arrangement worked out before the last election, an arrangement was made with the management of Intercon that we would arrange for them, because of the strategic location of the plant and the need for the plant in Saskatchewan . . . because as you know if we didn't have this plant to do the kill and processing of the pork and beef, it would mean that the farmers who produced beef in the central part of Saskatchewan would then have to see their hogs, their live animals, shipped for hundreds of miles, which would mean two things — very much increased cost of transportation and obviously a severe deterioration of the product as it moved from point A to point B. Because as you know, having a farm background, the number of hours that an animal stays on board a truck, with every hour there's weight loss, and even more importantly, bruising and damaging that happens. And the farmer would have lost an extreme amount of money.

We decided that this was such an important industry that we would support it by offering a forgivable loan if a certain number of jobs were created. Now I want to make it clear to you that the jobs need to be created within the next three years and be maintained for three years before the loan is forgivable. And it's forgivable at a rate of 12,500 per job created. The job has to remain in place for three years, and the jobs have to be created within the next three years.

So that's the program, and if you've got any further questions, I'll try to answer it on that.

Mr. D'Autremont: — Thank you, Mr. Minister. I find your comments interesting about the distances travelled with the live animals. Indeed it's best if we can keep the processing here and provide all the value added. I agree with that. In fact we need to encourage it as much as possible because we simply cannot remain hewers of wood and drawers of water. We have to provide secondary manufacturing and processing and final manufacturing in the retailing of the products here.

But the idea that the animals suffer an extreme weight loss and damage to bruising and other damages to the animals when they remain in their trucks for hours, I think to what's happening in the western part of North America. My brother was driving a

truck out of Lethbridge. They picked up hogs in that area and shipped them and drove them to Los Angeles. Now that is a significant distance, Mr. Minister, and they had to do that within a short period of time. But nevertheless those animals were on that truck for approximately 24 hours.

Now to simply move an animal 100 miles or 200 miles in Saskatchewan does incur some weight loss, I agree, and there may be some damage. But to describe that as extreme, I think is a little bit extreme, Mr. Minister. Because cattle and hogs move great distances on this continent to move from the places where they are produced to the places where they will be processed and utilized.

I'd like to take a little more look at the agreement with the Intercontinental Packers group out of Moose Jaw. You say this is a forgivable loan for jobs to be created over a three-year period and that they have to maintain those jobs for three years.

I wonder if you can give us the numbers, please, Mr. Minister, as to what the starting number was when the agreement was signed, so that we have a base figure to measure from to determine whether or not those jobs were created, and exactly how many jobs, new jobs, were supposed to be created under this agreement?

Hon. Mr. Lingenfelter: — I want to say to the member opposite that if I use the word "extreme," I'm referring to the overall amount of monies that would be lost to farmers on moving let's say a million hogs a 60-mile radius of Saskatoon or a 100-mile radius, versus shipping them to Edmonton which is 600 miles away. If one were to do the calculation on the freight cost of that movement of a million hogs plus the weight loss plus any damage that obviously would occur, because some does occur, the loss to the economy of Saskatchewan would be extreme.

And I think there's little doubt that the cost is fairly significant, not unlike of course having the crushing plant for canola located at Saskatoon versus having it located at Red Deer. When you do the calculation on the number of dollars that farmers would have had to spend on freight, moving that quantity of canola from their farms in central Saskatchewan to Saskatoon versus moving it to Red Deer, over a 20- or 30-year period, the numbers are quite staggering.

And I know the member isn't arguing. I don't think we're debating anything significantly different, but only to point out that having these plants close to your production is very, very important for the economy of Saskatchewan and for the producer.

I want to get for you the exact number because we have a number that we started out as the baseline for the forgivable loan. I'll get it for you and report it as soon as I get it available.

Mr. D'Autremont: — Thank you, Mr. Minister. I'm hoping your officials are looking for that now.

When you look at this weight loss, obviously, Mr. Minister, there is a cost associated with that. But when animals are shipped out of this country a distance down to Los Angeles,

which must be close to 1,500 miles, it says that somebody believes that they can purchase the animals here, pay the freight, do the processing there cheaper than what we can do that same processing here, and then ship the finished product.

So obviously they feel that there is an advantage to processing the animals there rather than processing them here. It must say something about our cost of processing. It must say something about the cost of their fuel, that it be cheaper to ship the freight south than it is to do the processing and ship the finished product from here.

So, Mr. Minister, since that is happening, we need to take a very serious look at what is causing those animals to go south before they're processed. And that would be your department, Mr. Minister, that should be looking at that as the economic development.

How do we change our policies in this province? How do we change the policies in Canada to keep the animals in the area that they're produced and do the processing there and ship out the finished product? Because there are a large number of animals going south, both cattle and hogs, for processing in the U.S.

So what do we have to do? What do we have to change? What tax regimes have to be adjusted to keep the animals here? And indeed, Mr. Minister, what labour regulations do we have to adjust here to keep those jobs in Saskatchewan and in Canada. Rather than shipping our live animals out, we need to be processing them here.

Hon. Mr. Lingenfelter: — The member will obviously know that his example . . . you want to be very careful in using an example where some truckloads of hogs will go from here to Los Angeles or from here to Toronto versus what . . . (inaudible interjection) . . . Well we'll get for you the exact percentage of what are slaughtered in the province and what are moved.

But obviously if the plant in Los Angeles had to move all of their hogs for processing 1,600 miles, it's very different than if they're filling their plant to capacity and the last 5 per cent or the last 3 per cent are coming from 1,600 miles.

And so you have to be careful in how you use these numbers, because obviously we probably get some loads of hogs from Montana or from North Dakota. That doesn't mean that the labour laws in Montana or North Dakota are somehow out of whack. And so taking these large leaps in logic where the mind grinds and misses big chunks of gears to get from one spot to another, we have to be a little more sophisticated than that.

The fact of the matter is that when it comes to building a crushing plant for canola . . . Let me use this as the example. Most recently where we were competing head to head with Alberta — because Red Deer was the other centre for the synchrotron, the light synchrotron, which we have just had announced — the technical people who did the analysis looked at Ontario or Saskatchewan and decided that Saskatoon was the better place to do it.

(1445)

You shouldn't be quite so negative about the advantages that we have in Saskatchewan because there are many, many things that we do in the province, whether it's call centres, or I say again the synchrotron equipment that's looking at locating in Saskatoon, or Cargill putting their crushing plant . . .

And we didn't put hundreds of millions of dollars. You may say well, we put a fertilizer plant in there. But you have to remember the deal that you had to give to Cargill to make that deal work.

When it came to the crushing plant, our component and what the taxpayers put in was training for the people who are going to work in the plant. Other than that we competed head to head with Alberta — no large grants, no large loans. And they said . . . they looked at it, the labour law, the power costs, the gas costs in Alberta and Saskatchewan, and said, we're putting our money into Saskatchewan. And so that doesn't mean that we're going to win every competition; but to say that Saskatchewan's bad and we've got to change all our labour law and nobody's coming here flies in the face of what is actually happening.

And I just say to the member opposite that I think there are many, many positive things about companies expanding. I know with Flexi-coil, when we were dealing with the expansion of Flexi-coil in Saskatoon, they too looked at Alberta and North Dakota, did analysis on wages, labour law, power, everything, cost of living, and decided that Saskatoon was the better place to do their expansion.

And so I would be a little careful about getting too negative on your home province, because it's really that kind of an attitude that has in many cases hurt communities. And you'll see this around the province, with some communities are flourishing and going ahead by leaps and bounds and others, you see them, you go to the restaurant and they're complaining and whining and snivelling — those communities are going downhill.

And if I were you, I would get on the side of those people who are positive and optimistic about the province. Because I'll tell you, you go around Saskatoon today or some of our communities . . .

An Hon. Member: — How about Regina?

Hon. Mr. Lingenfelter: — Yes, Regina too. I'll tell you I was just out this morning at the Canada Farm Progress Show and people are walking around with their fingers tucked in the suspenders and they feel pretty darn good about what's going on in their province.

And I just urge you guys, if you want to move from five seats even over to be the official opposition, try to be a little bit more positive. And I say this sincerely. When you started the session . . . And I'll tell you why you people will have won the session versus the Liberals, who have more seats, is because of how negative they have been about the economy of Saskatchewan. And I think you know that.

But you take the Opposition House Leader and the member from Kelvington-Wadena coming in here every day, being

down in the mouth and whining how bad it is. They don't fit with the culture and the mood of the public.

And so my one word of caution, because I know the member opposite isn't a negative person, is get up on the upbeat position on the economy and support some of the things that are going on.

Some Hon. Members: Hear, hear!

Mr. D'Autremont: — Thank you, Mr. Minister. Well out at Farm Progress, as my colleague said, this is the rural people who always believe next year is going to be better and they always and must always have a positive attitude, particularly in light of the government that we have today. It's in spite of the government that we have today that they have this positive outlook on life, Mr. Minister.

Mr. Minister, you mentioned the Cargill agreement with canola, and I'd like to just divert to that for a second before I get back to Intercontinental at Moose jaw.

How much of a grant did you provide them for training, for the development of that plant? And what is the total cost for the development of that plant?

Hon. Mr. Lingenfelter: — The member has raised the issue of training for the Cargill project. I don't have the exact number here because that would have come through the department of Continuing Education. But I will get that for you.

In my note I have here, I don't even have the exact wording about how that might have taken place. And I don't have the number, but I will get that for you, if in fact there were . . .

An Hon. Member: — How much did the whole plant cost?

Hon. Mr. Lingenfelter: — What was the cost of the entire plant? Just one minute. Yes, the total cost of the project was \$53 million.

Mr. D'Autremont: — Okay, thank you. Mr. Minister, you talked about comparing this particular plant to the Saskatchewan fertilizer company out west of town here. The government in that case didn't provide them any grants; they provided them with a loan guarantee on which Cargill, or the Saskatchewan fertilizer company, paid a commercial interest rate — same as they would pay for a loan guarantee from somebody else. I believe it was 2 per cent, but I could be wrong on that. But it was the standard commercial rate at the time.

Beyond that point, the government put in \$64 million of capital. That money has been . . . the value of that investment has increased tremendously since that time. In fact as you, Mr. Minister, have been standing in this House bragging about what such a good corporation that is, what a good enterprise that is; in fact it has been expanding.

And so, Mr. Minister, that was a good project to be involved in. It has not cost the government any money. In fact it has made the government significant amounts of return.

When you look at the agreement you entered into with Cargill

for the canola-crushing plant, you're providing them grant money. Now you'll get a return out of that from tax money when people are working or when the plant makes a profit, but there's no direct return because of the monies invested into that particular plant, Mr. Minister. If you look at it in that sense, your investment in the canola-crushing plant has returned less value than the investment that has been made in the Saskatchewan fertilizer company.

So I think, Mr. Minister, that perhaps when you start comparing apples and apples, your comparison is not quite as flexible or as good as the previous operation.

The synchrotron deal in Saskatoon is another example, Mr. Minister, where perhaps it's the critical mass that has been developed in the '80s on the electronic side that has created the opportunity for that company to move into Saskatoon, to take advantage of the people with knowledge, the people with expertise, and the community mind-set in Saskatoon that would allow this company to grow and to flourish.

Flexi-coil, Mr. Minister, you talk about that company's expansion. I believe that your department also provided them with a form of a grant. Or if it wasn't your department, then it was the Education department in a training situation. I wonder if you could outline what kind of grants Flexi-coil received from the government for their expansion.

Hon. Mr. Lingenfelter: — Yes, the member opposite talks about the importance of the Saskferco plant, the fertilizer plant here in Saskatchewan. I don't disagree with you. It's an important plant, it employs Saskatchewan people, it makes good product. And I have never argued with you about that. My point in talking to you was about the advantage, in fact, of having these kind of entities in the province, as opposed to somewhere else, especially as it would relate to meat processing or oilseed crushing, because of the cost of freight of moving them to a plant that might be 4 or 500 miles away. It's just very, very expensive. And not only expensive to the farmer, but also to the taxpayers who have to build the roads to maintain that longer distance of flow of product.

When it comes to the expansion at Flexi-coil, my understanding is that the expansion took advantage of the new 9 per cent investment tax credit for manufacturing and processing investments, and also, as it would relate to the training that we talked about for the Cargill plant. These were programs for training that were available to companies. These were not special, one-off arrangements. Just as the 9 per cent M&P (manufacturing and processing) was also not a one-off but something that we implemented for all processing and manufacturing people in the province.

And I think this is really what the public want to see. And what concerns them is when special arrangements are made that give advantage, especially if it is in a competitive situation within the borders of Saskatchewan. I'm not going to go into the former Saskatchewan Economic Development Corporation, but some of the problems we had there was that we were using taxpayers' money in great amounts to allow an investor to use other taxpayers' money to go and invest in a community that would compete with, and sometimes actually do in, other,

existing businesses.

So these are programs that are basically available to everyone in a general way.

Mr. D'Autremont: — Thank you, Mr. Minister. I wonder if you could perhaps get us the information on what the training grants were to Flexi-coil.

The idea that government tax dollars should be used to compete against existing commercial interests, I agree with you, is a wrong way to go. And I would hope that your government would keep that in mind when you look at STC and the direction that STC is moving today. STC has moved into the freight and express business, which is in direct competition with others in the province. There are already other people providing freight transportation. There is already others providing express courier services. STC, subsidized by CIC, Crown Investments Corporation, is moving into those areas that are already being provided by commercial interests in this province.

And it's not one commercial interest that has a monopoly, there is a variety of people that are providing freight service across this province and courier service, express service. And yet government dollars are now going to subsidize STC to deliver a service that is already being provided by private interest in this province.

So when you make that comment, Mr. Minister, I think you need to look then at the entire package of your government when it comes to dealing with business in this province. I think it's very important then that you take that message back to the minister — I believe it's the minister from Yorkton that is in charge of STC, but I could be wrong on that — but take it back to whatever minister is in charge there and point that fact out to them, Mr. Minister.

Let's go back to the Intercontinental agreement. Perhaps your department has come up with the numbers, your officials, of the baseline for the jobs in Intercontinental. Or do you have to go back to the department to get those numbers out. Okay, your official is out looking for them, that's fine.

Perhaps then, Mr. Minister, you could also take a look at the costs associated with the training. Who provided the training? Was there a training agreement with Intercontinental? If so, how much was it for and who provided it?

Hon. Mr. Lingenfelter: — The member raised the issue of STC, and I think it's an important one and leads us to the Crown review that is going on at the present time. And obviously when your government was in power, we had STC, or Saskatchewan Transportation Company, which delivered service to rural Saskatchewan at a subsidized cost. And there's a lot of discussion about which routes should remain, whether we should have more or less, and some runs make a little bit of money; most of them lose money. But I think overall it's thought that that service to our rural communities, if you were to take it away, would probably be detrimental to rural Saskatchewan.

And I know during the Blakeney era when I was a member in rural Saskatchewan, we extended the bus line to some communities. I remember Climax and Frontier getting on the bus line when they hadn't been before. Some people argued that we shouldn't have done that because that was costing too much money. And then that was cut back a bit when the Devine government was in power.

And this debate goes on in that the hearings that are being held, that's one of the issues that is being discussed. Should the taxpayers at large be responsible for subsidizing a transportation system throughout rural Saskatchewan? Or should the bus line go out and try to make some money doing courier service or other freight services in order to use that revenue base in order to cross-subsidize the transportation that is losing money.

(1500)

You have your point of view and I respect and appreciate your position. I may not agree with it, but I do respect it because it's one of the many views that are held, and it's not an individual view. There are many, many people who feel as you do. In fact there are others who would go further and say look, not only shouldn't STC compete out there for courier service, we shouldn't subsidize it either and we should wrap the whole thing up. And those lines that can make money, turn it over to the private sector and let STC go. And sell the buses and use whatever bit of money you could get back to pay down the debt, although with STC I think it might work the other way.

But this is a very good debate because that's really what the Crown review is all about. But I'm not sure that I would agree that we shouldn't have a corporation, if you're going to have a corporation that would go out and broaden its area of revenue generation. Although I think the review will help us focus that debate in a very, very clear and concise way.

Obviously recommendations will come forward from the consultants and the people who are doing the review will overlay that with the views of the public in Saskatchewan, including the members of the opposition, because I'm hopeful that your caucus is putting in submissions to that review process. They'll be taken into serious consideration, and then our caucus and cabinet will have to come forward with some sort of a concise positioning for our Crowns to position them for the next century.

Mr. D'Autremont: — Well thank you, Mr. Minister. When it comes to broadening the service of STC, I think there is one way to do that. If STC wants to get into freight service across the province, if they want to get into courier service across the province, into express service as well as passengers, Mr. Minister, I believe that way is to privatize it. If that's what they want to do, if they want to get in and compete against the commercial interests that are already there.

Bus service across this province is very limited. You have to get a running rights and only one person has the running rights. So in that sense you have a monopoly once the running rights have been acquired. STC (Saskatchewan Transportation Company) holds most of the running rights in this province; therefore they

have a monopoly situation.

In that context they can provide a social service to the province even though it may be running at a deficit situation, because they're not competing directly in most cases against another commercial interest. They are providing that service as a monopoly and as a social service in the same extent that SaskPower delivers electricity 400 miles from the other nearest customer some place. They do that as a social service, not as a commercial interest.

But when you're going to get into the commercial interest side of things, I believe that that's the wrong place for the Crown corporations to be active. If they're going to be active, then they have to operate as a commercial interest, make it or break it without the taxpayers' dollars backing them up to bail them out whenever things fail.

So if you're going to expand STC across the board into all forms of transportation — passengers, freight, courier — then privatize it and let them compete. If that's not the case, if they're going to stay away from the commercial side of it and the government wants to retain them because of the social value they provide in transporting passengers in those monopoly areas, well then say so and we can debate that as a separate issue.

Because there are opportunities, Mr. Minister. My own community, the road that I drive every week to come to Regina, STC pulled the bus out. But a private operation started up and is providing more bus service than STC provided — provides limited freight service, passenger service, and makes a profit doing it, Mr. Minister. Makes a profit and pays taxes besides, which is more than STC does. STC is a black hole in which the money disappears.

This particular operation, and there are a few private operations around the province that do provide service to the . . . (inaudible interjection) . . . Their subsidy? They don't have a subsidy . . . (inaudible interjection) . . . Well they're still making a profit at it.

The minister from Regina Albert North perhaps, I believe — unless they changed the name on it — it's a subsidy. If that subsidy is in place, that subsidy also goes to STC then; it's not simply limited to individuals . . . (inaudible interjection) . . . Well I'm sure that the member will want to stand up and ask the Economic Development minister some questions to get an explanation on it.

Anyways, they're making a profit on it, Mr. Minister, and they're providing an excellent service. If STC wants to remain in the carrying passengers monopoly, I think that's a separate debate. But if they're going to get in the commercial side, I think it needs to be privatized.

So, Mr. Minister, perhaps . . . I see your officials are all back and perhaps you'll have the answers now on the Intercontinental deal.

Hon. Mr. Lingenfelter: — Yes, the baseline for employment numbers on which the forgivable loan was made, at the time of

the agreement and the baseline, the average for that year was 940 in Saskatoon and 130 in Moose Jaw, for a total of 1,070.

Mr. D'Autremont: — Thank you, Mr. Minister. Exactly how many jobs under the \$5 million loan were to be created under that particular agreement?

Hon. Mr. Lingenfelter: — Up to a maximum of 400. So if you can imagine a forgivable loan of \$5 million, that would be the maximum that would be forgivable. And that would be if 400 jobs were created and maintained for three years. And I think I mentioned earlier that they had to be created within a three-year period; actually it's a two-year period. I just want to get the record correct now that I have a briefing note here. It's 400 jobs; forgivable at 12,500 per job; have to be created within the next 24 months or 2 years; and once created have to be maintained for three years.

Mr. D'Autremont: — Thank you, Mr. Minister. I believe that a significant number of these jobs were to have been in place by June of this year. I'm not sure if it was June 1 or June 30, July 1. I wonder if you can give any indication of how many of those jobs have been created to date.

Hon. Mr. Lingenfelter: — What I have to tell the member opposite is the numbers are averages over the year. And so when we say that they're 1,070, that's really a block of jobs averaged over a year. And on any one day this will vary quite a bit because of seasonal availability of product or seasonal demand for product. And so this is . . . I could give you some numbers that it is today, but it really would be insignificant as it would be related to the arrangement because we will do this on an annual average basis.

And it's not unlike, I suppose, job numbers for the province. And every month, you know, we get the job numbers and some months we're excited because we're up 12,000; sometimes we're depressed because we're down 3,000. But the only number that matters at the end of the day is average year over year. And I'm sure the member understands that.

At the present time we're not in a position to make that comparison but the only thing I can guarantee you is that if there isn't that increase that we talked about then the loan is repayable at commercial interest.

Mr. D'Autremont: — Well thank you, Mr. Minister. I'm concerned about this particular arrangement because I don't believe there are very many jobs yet created at the Moose Jaw plant for this \$5 million deal. And fact is the new jobs that may have been created at Moose Jaw are mainly jobs that have been transferred from the Saskatoon plant, from the closing down of one of their lines in that particular plant.

And fact is one of the people who supposedly was being trained to take a position in Moose Jaw — the training took place last fall — has yet to have been called in to work. He may have been called in in the last two weeks which was within the period of time . . . the last time I talked to him. But so far they hadn't received a call to go to work yet. He had taken the training through SIAST (Saskatchewan Institute of Applied Science and Technology) at a considerable cost and yet they're

sitting there waiting.

A number of the people that were in his class have left the province to find work elsewhere or have found perhaps another position here — took the training and are no longer available to Intercontinental to work because the jobs have never become available, Mr. Minister. So what has been happening there? Why have the jobs not become available in the time frames that they originally outlined? You have all these people that have taken the training and yet no jobs are available for them.

Hon. Mr. Lingenfelter: — The member opposite worries about whether or not the jobs are being created at Intercon or whether they're just being moved from Saskatoon to Moose Jaw. But let me tell you that the agreement is based on a combination of the two centres and the combination of the two centres at the time of the signing was 1,070. So let's say that 300 jobs moved from Saskatoon to Moose Jaw and there's no net increase in the number of jobs, and after three years you're still at 1,070; then it hasn't cost us any money because the loan is repayable at commercial interest.

If at the end of the period there's 200 new jobs, then \$2.5 million will have to be forgivable. And so the sense that we may somehow pay out the money and then never get it back and no jobs are created, that can't happen. The beauty of the deal, if there is such a thing in a deal like this, is that if the jobs aren't created and maintained for three years then the money will have to be returned to the coffers of the province on behalf of the taxpayers of the province.

Your concern about young people getting jobs is one that is shared by every family and every member of the province. And I'm sure while it may be more accentuated in the province and states that have a very high level of agriculture . . . because as you know, with the continued mechanization of farms and growing farm size, those areas of the country in the world that have the largest farming population are obviously the hardest hit when it comes to depopulation. Because as you lose in Saskatchewan, which we have for about 40 years, 1,000 farms a year, and there's no sign that that's going to slow down or change . . . It's been that way since the mid-1930s, every year regardless of who was in government — Liberal, Conservative, CCF (Co-operative Commonwealth Federation), NDP. Good times or in bad, we seem to lose 1,000 farms a year. And whether you have big subsidies from the Devine government or whether GRIP's (gross revenue insurance program) there or not there, we seem to lose 1,000 farms a year and a lot of it is driven by the economy — the world economy of farming — which means that farms are getting bigger and bigger and bigger, and there's no sign in sight that that is going to end.

Therefore in Saskatchewan, unlike Manitoba or to a lesser extent Alberta, where they have oil to the extent of hundreds of times as much as we have in Saskatchewan, even in Manitoba, the fact of the matter is that we produce 60 per cent of all the grain that Canada exports, and so we are very, very much more impacted by rural depopulation than other jurisdictions in Canada.

That means that as we lose population from our farms and farm workers, that the other side of the economy has to outperform in

order to even keep us level. And if we're going to have the increase of 30,000 jobs, which we believe is attainable, by the end of the year 2000, then it's got to be driving at a pretty good clip.

And the member opposite knows that in the first three years of the *Partnership for Renewal* plan, the economy has created, net, about 3,500 jobs a year. And if we keep on from 1996 to the end of the year 2000, which is five more years, at a rate of 4,000 jobs a year, we will hit that number of 30,000 jobs between 1992, the initiation of *Partnership for Renewal*, and the end of the year 2000.

That's our goal and objective that was set by business, working people, and government, in partnership. We all signed off on it. If anybody's on the hook, it's all of us because we all believe it's achievable, and after the first three years we are pretty much on target. We've got the books of the province balanced, which means we should go into an up-tick in terms of the number of jobs being created, and we think that's an achievable goal.

Mr. D'Autremont: — Well, Mr. Minister, the danger with the farm economy, you talk . . . losing 1,000 jobs since the year sometime in the '30s. Well, Mr. Minister, I believe in a lot of cases, those farmers that were on the land in the 1930s are still the farmers that are on the land today, and we're reaching a crisis point in that situation, Mr. Minister.

You compare oil in Alberta as having such a significant economic impact that they can create jobs for their youth to keep them in the province and to create an economy that continues to grow.

Well, Mr. Minister, we have that same opportunity in Saskatchewan only it's not oil; it's uranium. And yet we refuse to take the opportunities to develop the economies of the uranium industry, to provide the jobs for our youth, and the prosperity that could result from any development, secondary manufacturing and processing, and retailing of any commodity, and that includes uranium, Mr. Minister, not just oil.

You talked about your job creation process — 3,500 jobs per year for the last three years. Yes, you have created some jobs in that time period, Mr. Minister, but what you failed to mention was the 16,000 jobs that you had lost in the two years prior to that. You have still not quite yet returned back to the 1991 job figures. The last figures I remember, you had returned back to within about a thousand jobs of the 1991 figures, but you were still short about that thousand jobs, Mr. Minister.

(1515)

So if you're going to create 30,000 new jobs by the year 2000, which is only four years away — actually three and a half — you are going to have to develop some very, very significant economic development in this province. And I certainly don't see that happening yet, Mr. Minister.

I certainly wish you well in doing it, because we could certainly use the jobs and the prosperity that would result from it, and I wish you well on it. And if we can be of any assistance in helping to develop that, we certainly are prepared to do so. In fact we even have some ideas that we're prepared to share with

you on how that might be developed. But from what I see from your economic plans right now, it will be a hard stretch, Mr. Minister, to develop 30,000 new jobs in another three and a half years.

So, Mr. Minister, perhaps we can go back to Intercon. We seem to be moving back and forth from it a fair amount in the last hour or so. I think that I need a little more information on that. You've given me some numbers to work on, but I'm wondering how much subsidy was provided for the training of the Intercontinental workers that were to take these 400 jobs that will be developed over the three years at Intercontinental?

Hon. Mr. Lingenfelter: — In the review that we did, actually there was no training dollars involved in the Cargill deal. It was only the . . .

An Hon. Member: — Intercon.

Hon. Mr. Lingenfelter: — On Intercon? Just one minute. On that training, I'm still working on that, to the member opposite, the member from Souris-Cannington, because it's from another department. I'll try to get it for you as the day wears on here. If not though, be sure to ask Continuing Education because that's where that program is actually located.

But just in terms of the population — the member mentioned that in terms of population, jobs . . . Just looking at the statistics on the month in review that is done on population — and this goes back all the way to 1976 — but in the period from 1976 to 1982, the population, in that last seven years of the Blakeney government, grew every year; the population went up for the last seven years. In the first five years of the Conservative administration, the population continued to grow. Then it decreased for four years. And in the first five years of our administration, the population has gone up every year.

And so . . . (inaudible interjection) . . . pardon. No, no, it's gone from 1.006 million to a little over 1.018 million.

But these are the kinds of numbers that you look at in this province, and so anyone who says they're going to get elected and somehow there's going to be 2 million people or we're going to create hundreds of thousands of jobs the way Ontario or British Columbia . . . I mean all that you know about that individual who's promising that is they're either telling fibs or they're very naïve.

Because we've done economic profiles till you get tired of it, with all sorts of optimistic economists and not-so-optimistic economists. And what they tell you is that at the extreme, the population of Saskatchewan could grow to 1.2 million, on a very, very, good set of analysis, by the year 2020, or it could shrink to 850,000. And anyone who goes outside of those parameters and says somehow they've got a plan that's going to put it at 2 million or 5 million, all you know is they don't know very much about the economy of Saskatchewan.

And you can learn about the history, going back for 50 years, and I say again, with all sorts of different administrators and governments, and what you know is that the population of Saskatchewan will likely remain very stable and not very many

big increases or decreases.

And so I think the member opposite knows that. I know he does because he's well aware of the population base, how it shifts from rural to urban; and at that, the urban centres aren't growing rapidly.

But what's even more important in the long run is the fact that the quality of life in Saskatchewan is enviable to anyone else anywhere in the world. And he knows that the analysis done by the United Nations indicated that Canada, based on their criteria, is the best place to raise a family. Those same criteria, placed on provinces across Canada, indicate Saskatchewan the best place of provinces to raise a family.

One should not be surprised that whether you have 1000,100, or 1000,200 is not the important thing, but the quality of life. How our families are able to cope with the pressures, the environment; what's the living standard, the wage level, when all those things are considered — the quality of health care and education — Saskatchewan is the best place to raise the family in the best country in the world. And that is undeniable.

Mr. D'Autremont: — Thank you, Mr. Minister. I don't think anybody who lives in Saskatchewan disagrees that this is indeed the place that they would hope to remain to raise their families and their children for however long they wish to remain here. But unfortunately, economic circumstances, for a good many people and indeed too many people, have forced them to leave this province.

When you look at the population numbers of this province — you say around a million — if you look back in the 1930s, we were almost at the same numbers. Sixty years ago, Mr. Minister, we were almost a million people. Very little has changed, and indeed with the ups and downs of the political process in this province every party has had an opportunity to take a shot at it, and none of them have moved us beyond the million, really.

But when you look at those numbers that you quoted for populations, the rises and decreases in them from the 1970 onward, I think you can draw that curve on a graph. And if you took grain prices and drew the curve for grain prices, they would follow that same track.

Prices rose during the '70s, they stayed high during the early '80s, crashed throughout the mid-'80s to the early '90s, as the population dropped. The price of grain started to turn around in the early '90s and the population has started to rise again. It follows almost identical curves, Mr. Minister, as grain prices do in this province.

And that relates back to the idea of developing more processing here. If we develop more processing here, perhaps we can get away from that syndrome of drawers of water and hewers of wood, because the processing people are still, in most cases, are going to continue to eat. It's a matter of how much we can sell our raw product for. If we can develop it and process it here, we would certainly develop a better economy.

The use of energy though, throughout the world, is growing. It's not decreasing and it has never decreased since we started using

electricity. With uranium, we have a material that we could process and develop and then dispose of, which would create a significant economic impact in this province. Because the use of energy continues to be needed.

With coal-fired operations, Mr. Minister, we do create a significant amount of pollution. With coal-fired plants around the world, we are creating a very significant amount of pollution. Too many of the coal-fired plants around the world are old, old technology, are not state-of-the-art, and put out a lot of sulphur products when they're burned.

But, Mr. Minister, if we were to take advantage of the uranium we have in this province, to extract it, to refine it and process it, to rent it out — not sell it — rent it out to someone to use for the generation of electricity, then again take possession of that for the disposal of that, Mr. Minister, I believe we have a significant opportunity there for economic development, an opportunity which we are missing. Because obviously we continue to mine the uranium, we continue to extract it from the ground, and then it leaves our province — never to be returned, never for us to gain another dollar from it.

And we have an opportunity, Mr. Minister, in this province to do more than just take it out of the ground. We have an opportunity to process it here from yellowcake into a material that can be used in the electrical plants. We have an opportunity after that point to bring it back again for disposal or reprocessing, because very little of the actual energy in the uranium is used in the initial creation of electricity. It forms a coating on the outside of it that seems to impede the processing.

But if we were to reprocess it, we could make a significant amount of added prosperity in this province, create a significant amount of added wealth in this province which would benefit us all, Mr. Minister. So I think that's one of the areas that your government needs to be reviewing and working together with AECL (Atomic Energy of Canada Ltd.) to develop in this province. Unfortunately it seems that ideology stands in the road of that particular process, Mr. Minister.

I would like to read though . . . as I said earlier, we seem to move from Intercon off on another track and back again, Mr. Minister. I have some numbers here as it relates to the training costs at Intercontinental for those people that supposedly the jobs are going to be created . . . And a significant amount of these dollars though, Mr. Minister, are being provided by this government for that training.

I have here a cost for one worker. The instruction costs for that particular worker were \$2,561; material and supplies for that worker, \$2,384; administration fees, \$168; printing costs, \$6; agency service fees — I'm not exactly sure what these agency service fees are, Mr. Minister, but they're \$19,456. Travel costs for this particular student, \$178; and this is for the meat-processing worker project at Intercontinental Packers. So I think it's very important that we find out if all of these dollars are being subsidized by the department, your department or the department of further education, Advanced Education. Who's paying these costs?

Hon. Mr. Lingenfelter: — We're going to do that for you and

... but I do want to say and I'd be remiss if I didn't talk to you for a moment about the AECL deal, which I had the privilege of renegotiating after the change of the government in 1991.

And to say that we were opposed to the deal is the farthest thing from the truth. I was involved with Jake Epp in Ottawa and I met with Hugh Segal, the then prime minister's chief of staff, and when we were talking and negotiating the restructuring of the deal, I'd like to think that we made a bit better deal than the previous administration, but I mean it's not worth getting into at this point. But the deal that had been negotiated by the Devine government, we came and renegotiated the deal.

A hundred and fifteen-and-some people worked in a scientific community in Saskatoon with a joint partnership. And I say again that we were the only provincial government — the only provincial government — ever to put money into an AECL project. Now anyone who can explain that somehow that's a government that's opposed to AECL, when we're the only provincial government that put taxpayers' money into a project, seems to baffle most people, how you would accuse us of somehow being opposed when we put \$20 million on the table, unlike Manitoba, Ontario, any other provincial government, who left it totally to the federal government to sponsor these kind of deals.

I just want to say to the member opposite that we will get the training dollars, but what you should know is that training, whether it's SIAST or the universities or continuing education at any level, costs a lot of money. And you can say that taxpayers has no responsibility for training, but you need only look at the graduates coming out of medical school. I think there was a study done in one of the Maritime provinces that indicate that it cost almost a million dollars to train a doctor. It cost the taxpayers a million dollars to train a doctor. You would really have to then say, why wouldn't you train people for other professions? What is wrong with training somebody for the meat processing industry or other industries if it means a job at the end of the line?

And what we've done in this government is moved our education system, especially in the continuing end of it, to be very flexible, that if it's training that's holding people back from getting jobs, we can now actually take our programs on site and train people for a specific job in a specific plant.

And far from being critical of that, I would expect that you, sir, as a member of the third party, would be congratulating the Department of Education for not being stuck back, as many Education departments are in many countries, of training people for jobs that don't exist; to being able to be flexible enough that if Cargill or someone needs trained people on the spot, the money we've put into that education training program results 100 per cent in a job at the end of the training process.

And for my money, in terms of education and training, I think these are the best training dollars that we can put on the table.

(1530)

Mr. D'Autremont: — Well thank you, Mr. Minister. Indeed I do agree that on-the-job training is an excellent program. I think

apprenticeship programs should be encouraged.

But one of your statements there is exactly my concern, that we're training people for jobs that don't exist. At the Intercontinental plant yet, I haven't seen any new jobs starting there, any jobs for those people that took the training last fall, for which the numbers I quoted were in place for, and yet these people, as of two weeks ago or so, were not yet getting jobs there.

And I'm not sure how many people went through the training program. I believe it was in the neighbourhood of 100 to 150, and yet the jobs are not in place yet. They've received the training, we've spent the money on them, and yet the job isn't there.

A significant number of them are leaving the province because now that they have the training, they can go some place else and do those jobs, or else they're finding jobs in other sectors in the province and they're not going to be available when these jobs come on-line. We're simply then going to have to turn around and train new people to fill these positions because the people that were already trained are no longer available.

Hon. Mr. Lingenfelter: — Well the member opposite says people take their training here and then they leave. I mean I'm not sure what he suggests on that issue.

An Hon. Member: — Let's get the jobs up and going.

Hon. Mr. Lingenfelter: — Well the jobs, as I say, in terms of how many jobs are being created in the province, we're on target — 3,500 jobs a year. We're hoping to move that up to 4,000 a year, to hit our goal of 30,000 by the end of the year 2000.

But I think it would be a very, very difficult process to do what you say and that is train only people who are going to work in the province of Saskatchewan, or somehow monitor them and put a collar on them so they can't go somewhere else. I just think that there are many people who move freely, and in fact I think very quickly would be in breach of the trade barriers that mean people should be able to be mobile in this country and move between provinces with their training.

In fact what we're trying to do is break down even more the barriers that disallow labour movement from one jurisdiction to the other, or professional people from moving from one jurisdiction to the other. For my bet, it seems strange that lawyers who get their training in Saskatoon at the university have to do anything to go and practise law in Alberta other than get a job with a firm.

And I think barriers being removed between provinces really is where you should be at, knowing your background, and now to come here and say we should put more barriers up to make people stay in cubby-holes and they shouldn't be able to move, seems a little strange to me.

Mr. D'Autremont: — Well indeed it should, Mr. Minister, because I wouldn't agree to that. And fact is my concern here is that we're training people for specific jobs that you have

agreed, with a loan, to create and yet those jobs aren't available. That's what the problem is.

It's not the fact that the people take their training here and move some place else. It's the fact that you put \$5 million on the table to create 400 jobs and those jobs have yet to be created. We've paid out additional money to train people to fulfil those 400 jobs and the 400 jobs are still not available. That's where the problem lies.

When you talk about people taking training in this province and moving elsewhere, people have been our biggest export commodity since Saskatchewan reached the first million dollar mark some time in the 1930s approximately. That has been our biggest export and that's why we remain at a million people. And the training has been provided here and the people who leave Saskatchewan become some of the most successful people in the world. And we should be proud of that, and we should encourage those people though to come back and to reinvest in this province.

But for those people who remain here, you promised 400 new jobs for 5 million bucks within the next three years. Some of those jobs were scheduled to come on-line this spring and early summer, before July 1, and yet those jobs have not yet come on-line for the people that have been trained for them. They're sitting there waiting for those jobs — the few that are left that have taken the training that haven't gone elsewhere, Mr. Minister.

That's where the problem lies — in the inability of the company you made the agreements with to get the job done and to get those jobs on-line. So, Mr. Minister, what are you doing to encourage Intercontinental Packers to eventually . . . to get those jobs going as quickly as possible?

Hon. Mr. Lingenfelter: — Yes, the indication we have is that the jobs are coming on stream. And as I mentioned a number of times in the House, that after July 1, there will be a number of new jobs created that will pick up those people who are in the training program.

And I think if the member . . . This is what everyone is hoping, and of course it depends on the economy and the sales and exports and all of that. But the hope is that the 400 new jobs will be created. And I think by the end of 1996 the picture will be that those who are trained will have jobs in the industry.

So I just ask you to be patient. But I do agree that the more jobs we can create, the more people we can keep at home, the better the system.

My only word of caution is that I think for too long politicians in this province . . . and I say this not in any pointed way. But really from the early settlement there has been exaggeration of what the expectation of the economy should be, all the way if you go back to the days of settlement — what some would argue — false posters and brochures that were sent to Europe showing orchards and various things about Saskatchewan. And lo and behold, when the people from eastern Europe got to those areas of the province and found that there weren't orchards and that in fact they had to rip out the trees and pull out roots in order to plant their crops, and pick stones, they

were a little bit surprised.

And that then was carried on up to Grant Devine promising to build a factory in every town and we remember that promise. I think we have to be a little bit careful and a little bit more honest in talking to the people about the economy of Saskatchewan. And so while I'm optimistic, I think there's balance between that and giving people false hopes built on false premisses.

I think everything we do in economic development should be done on study, analysis, facts, and I know that's what the member opposite is talking about here and I think the meat industry is one of those areas.

Mr. D'Autremont: — Well thank you, Mr. Minister. I think it's very easy for politicians to have patience in this particular case, after all we have jobs that are guaranteed for the next three years, other than the member from North Battleford whose job was cut somewhat shorter . . . (inaudible interjection) . . . Now the member from Cypress says he'll have his job for another 20 years. The member from Wood River, I would think perhaps his job security has been decreased dramatically.

Unfortunately, Mr. Minister, patience for the people who took the training and are waiting for those jobs is running very thin, Mr. Minister. They are the people who must suffer the consequences of these jobs not having been made available. They took advantage of the training opportunities last fall with the expectation that once they had completed their course, there would be a job there for them to go to. And that has turned out not to be the case. They are the people, Mr. Minister, that you need to talk to, to explain to them why they must keep their patience up, why they should sit there and wait for Intercon to develop those jobs.

Some of those people, Mr. Minister, are the youth of this province that will build this province over the next 50 years. And some of those people, Mr. Minister, are people that the former member . . . the current member from Saskatoon Eastview Haultain — just plain Eastview now maybe — who while he was minister of Social Services helped to move through this training system. They're sitting there. They've probably had to go back on social assistance now, Mr. Minister, because these jobs have not yet become available.

You need to get those jobs up and moving, Mr. Minister. And simply saying have patience — we've had patience for over a year since this original project was announced prior to the last election, and still the jobs have not been created, Mr. Minister. How many of these proposed jobs, Mr. Minister, will actually be jobs that will move from the plant in Vancouver when it shuts down in the next year or two?

Hon. Mr. Lingenfelter: — None of the jobs that are in Vancouver are anticipated to — at this point in time — to be part of the 400 increase.

Mr. D'Autremont: — Thank you, Mr. Minister. Could you please repeat that.

Hon. Mr. Lingenfelter: — I'm saying that at the present time,

none of the jobs that are contemplated at either Saskatoon or Moose Jaw have anything to do with Vancouver. Obviously if some company, including Intercon, wants to shut down an office somewhere else and move it to Saskatchewan, we would be more than happy to accept them, as I know the member opposite would be.

And I think a good example of that, although one might question the business deal that was made around it — as some have done here — is Crown Life, where Crown Life obviously didn't please the people in Ontario and Toronto very much. But the fact that we have 1,000 new jobs here is a pleasant experience for the province of Saskatchewan — or CIBC (Canadian Imperial Bank of Commerce) call centre, or the Sears call centre.

And so I'm sure the member opposite isn't saying that he would be opposed to jobs moving from Vancouver, and I think if that did happen you and I would go there and greet them as they came into the province to work here in the meat processing industry.

Mr. D'Autremont: — Thank you, Mr. Minister. Yes, certainly jobs moving into the province, as in the case of Crown Life, were indeed welcome to this province. They added another aspect to the economy of this province that was more limited than it had been previously. We had one major insurance company here before and bringing Crown Life added another, which diversified our economy. And I believe that the previous administration under Grant Devine did an excellent job in bringing that particular industry to this province.

But I need to ask, Mr. Minister, when those jobs . . . if they come from Vancouver when that plant closes down, as is projected to happen — will those jobs, whatever number that might be, be classified as the 400 new jobs to be created under your \$5 million forgivable loan to the Intercontinental group?

Hon. Mr. Lingenfelter: — I have to . . . I was just consulting with my officials. Dan, I wonder, could you repeat the essence of your question?

Mr. D'Autremont: — Thank you. Mr. Minister, the essence of the question was, if the 400 jobs are part of the closing down of the Vancouver plant, if that plant closes down in the next two years — no, one year, because the agreement was a two-year agreement with Intercontinental for the 400 jobs — will they be counted as part of the creation of 400 new jobs in this province?

Hon. Mr. Lingenfelter: — We wouldn't . . . whether or not B.C. (British Columbia) opens or closes, expands, shuts down, has really nothing to do with this agreement. All we will narrowly do is see whether or not there's an increase or a decrease in the number of jobs.

Where the jobs come from is really immaterial to us. It's not part of the agreement. What we would look at is 1,070. If it goes to 1,100, we would pay for 30 jobs; if it goes up by 400, we pay for 400.

So it really doesn't . . . to us it's an immaterial question where the jobs would come from or be created from.

Mr. D'Autremont: — Well, Mr. Minister, it seems like that's simply paying Intercontinental then to . . . subsidizing them to close down their plant in Vancouver and moving the jobs here.

Now if they were closing down the plant in Vancouver and moving 400 jobs and they then turned around and created an additional 400 jobs, I think you'd have done something significant. But simply paying them \$5 million to close down the plant in Vancouver and move those jobs here, I would have to wonder whether or not that wouldn't be against some Intercontinental trade agreement that we have as to poaching of jobs from one jurisdiction to another, Mr. Minister.

And I believe that your government has signed some agreements that deal with the movement of jobs across the province — the attempts by areas such as New Brunswick to go into other people's jurisdictions to seek to entice companies to move into their area. I believe that there has been some agreements signed that would move to prevent that from happening, Mr. Minister. Can you comment on that, please.

Hon. Mr. Lingenfelter: — I want to say to the member opposite that so far, 120 people have been trained for the increased positions. I don't think any of these are people who have come from British Columbia or anywhere else. There are 120 positions, Saskatchewan people, and we would anticipate and do anticipate that the 400 new jobs would come not from Vancouver but from Saskatchewan people who would be looking to work in this industry.

Mr. D'Autremont: — What kind of agreements has your government signed, Mr. Minister, related to the poaching of jobs from one jurisdiction to another? Have you signed any agreements at all? Or what is in place now to discourage that from happening. Because we see New Brunswick moving into Quebec and Ontario in the past to try and pick up some of those corporations that may be considering a move some place, looking to see what advantages they can gain. What has your government done along that line to prevent that from happening in Saskatchewan?

(1545)

Hon. Mr. Lingenfelter: — As you know, the interprovincial trade barriers agreement that we have worked on for many, many months is quite comprehensive when it comes to poaching jobs from other areas. It's also comprehensive in terms of penalties and dispute-settling mechanisms that would occur. And obviously British Columbia has a dispute going with New Brunswick right now. And if there were those kinds of concerns, then there are mechanisms to solve the problem. At this point in time, obviously there's no need to be very concerned about it because no jobs have come from British Columbia.

One would argue whether or not the Devine government could do with Crown Life what it did to get them to come here, with loans and grants and that kind of thing, under the new trade agreement because some might argue that that was poaching

jobs from another jurisdiction. And the argument of course being that a have-not province getting revenue sharing from Ontario to Saskatchewan, then using that revenue sharing from Ontario to go back to Ontario and offer incentives to people to come to Saskatchewan — some would argue that that wasn't quite fair.

I don't make that argument, but I'm sure there might be someone in Ontario who may make the case that Devine was actually poaching jobs using revenue sharing to do the trick.

Mr. D'Autremont: — Thank you, Mr. Minister. It's only . . . Okay.

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

Mr. Pringle: — With permission, with leave, to introduce guests, Mr. Chairman.
Leave granted.

INTRODUCTION OF GUESTS

Mr. Pringle: — Thank you very much, Mr. Chairman, and thanks to the minister and the opposition for your cooperation. We appreciate that.

I'd like to introduce to you, Mr. Chairman, and through you to members of the Assembly, 29 grade 7 students from Caswell School in Saskatoon, on behalf of the Minister of Finance, who happens to be meeting with the other Finance ministers today, and the teacher, Mr. David Forbes, and six chaperons. I've not been provided with the chaperons' names, but I want to welcome you as well with Mr. Forbes and the students.

This is a great school. I had the pleasure of visiting a class there about two months ago, where some of the students were debating the issue of welfare reform in the debates, and I might add, did a very good job. And all of us were proud of the job that you did.

So I'll be meeting with the students at 4:30, I understand, in room 218. And I would invite all members to give this class a very warm welcome to the Assembly.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Economic Development Vote 45

Item 1

Mr. D'Autremont: — Thank you, Mr. Chairman. Mr. Minister, it's only poaching if it's against the rules, if it's against the law. And obviously at that point in time there were no rules against it or about the movement of jobs from one jurisdiction to another. So in that sense it was not against the process. So it's only poaching if it's against the rules.

But I hear the member from Regina South chirping from the back there as he normally does. He just really wishes that he

could get up to the front row, but I'm afraid that he's going to have to wait probably three or four elections before that can happen because his party will no longer be in power . . . (inaudible interjection) . . . Yes, it'll be after the turn of the century, and significantly after. He will be like the farmers from the 1930s that are still on the land looking for that bumper crop.

Mr. Minister, when it comes to this \$5 million grant that was given to Intercontinental for them to develop 400 new jobs, will the same opportunities be given to other meat processors, be that in the feather industry or in the red meat industry in this province? You've mentioned Thomson Meats; you've mentioned Drake Meats. Will any of these, perhaps even some of the other large organizations such as Burns, that may be interested in putting in a plant or expanding a plant in this province, will they be given the opportunity to access the same amount of money, \$12,500 per worker?

Hon. Mr. Lingenfelter: — I want to say to the member opposite that when it comes to the processing industry, especially companies like Thomson Meat and Drake Meats, the poultry industry at Wynyard, I go there on a very regular basis and discuss projects with them — I might add, all of which are looking at expansion at the present time. We have a very, very excellent working relationship with them, and when it comes to what they need to do their expansion, whether it's training or export assistance, we have been there and will be there in the future. And we deal with these requests as they come forward.

I think it's fair to say at the present time that we have no requests before us. And any kind of requests that come forward from the industry are looked at in a serious way.

Mr. D'Autremont: — Well would these negotiations have to be carried out on an individual basis, one at a time, to negotiate such an arrangement, or is such an arrangement available if somebody comes to you to seek this kind of an expansion? You talk about the Wynyard plant and their operation. When I look at the large scale poultry operations I think of your home, Mr. Minister, and it's certainly large enough to carry out a large scale poultry operation in it. And perhaps if the mortgage payments get a little too large at some point of time, you might even consider that, Mr. Minister.

When we look at the hog operation that we discussed earlier, at Humboldt, and some of the other hog operations that are being proposed around the province that create a significant number of jobs, you mention my previous colleague, the member from Rosthern at that time, Bill Neudorf as being a significant operator in the hog industry.

If any of those came to the department, would they be entitled to the \$12,500 forgivable loan for job creations? Because when you look at the one at Humboldt, that proposal there is to generate approximately 20 jobs. Well that would amount to a significant amount of money for that individual — a quarter of a million dollars approximately. So would that opportunity be available to them if they were to approach the department?

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

Mr. Heppner: — With leave, to introduce guests.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Heppner: — Thank you, Mr. Chairman. Mr. Chairman, to you and through you to members of this House, I would like to introduce to you in the Speaker's gallery, 30 people — 20 students and 10 adults from the Cabri area. I am personally fairly familiar with the Cabri area, having lived in Swift Current for numbers of years, and had a lot of good hunting in your part of the country. So I know where you live and I appreciate that part of the country very well.

These are grade 5 students, and the teacher that is with them is Arlene Peltier. We welcome you to Regina and to the legislature, and hope that your tour of the legislature, what you see happening here and the rest of your activities in Regina will make it a meaningful day. Will you join with me in welcoming the adults and the students from Cabri, Saskatchewan.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Economic Development Vote 45

Item 1

Hon. Mr. Lingenfelter: — The member asked whether or not his colleague from Rosthern would be eligible for a grant from government or not. I'm not sure what . . . (inaudible interjection) . . . no, no, I'm talking about your friend and my friend Bill Neudorf. And I remember joking about an incident with that member when his tractor went into the dugout. And we used to kid him about whether he had a periscope on top of the tractor or not, so he could see out when he was in the bottom of the dugout.

And so, Mr. Chairman, the mention of Bill Neudorf, who I say respectfully is doing a good job in the hog production area, we remember fondly; and was also one of the wise members who decided not to run for re-election. That always surprises me when people have that kind of wisdom to do that.

But I say to the member quite sincerely, that we have a number of programs that companies and manufacture processing are eligible for. And I mentioned the 9 per cent remission on E&H (education and health) tax that applies to processing and manufacturing material. That change we brought in is available to everyone. We have training programs.

The issue, as you remember, as it would relate to Intercon, was a special situation as it related to the decision on hog production, to move our hog production very significantly from about 1 million production a year to 2 million production. This was seen as a key bottleneck to that kind of expansion and was an arrangement that was made in response to that kind of pressure.

But if you have people in the industry who have ideas or proposals, that's what our department is all about, is working

closely with them to try to bring those projects to fruition.

Mr. D'Autremont: — Thank you, Mr. Minister. Mr. Chairman, I wonder if I could have leave to introduce guests, please.

Leave granted.

INTRODUCTION OF GUESTS

Mr. D'Autremont: — Thank you, Mr. Chairman. I would like to welcome our guests from the Cabri area. I too am quite familiar with that area having worked for a number of years with Mobil Oil at the Success and Fosterton fields. In particular, I remember Dean Swanson who was one of my supervisors there who was a resident of Cabri, and Glen Koehler who just lived a half a mile from the plant there at Fosterton.

I would like to again welcome them. I hope your trip to Regina is enjoyable and that you have a good summer. Thank you very much for coming in.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

General Revenue Fund Economic Development Vote 45

Item 1

Mr. D'Autremont: — Thank you, Mr. Chairman. Mr. Minister, you stated earlier though in the deal with Intercontinental Packers that this was not a one-off deal; that it was available to anyone who met the criteria basically for this type of thing. That this was not a project or a program that was designed specifically for Intercontinental Packers.

So I think if it's not a one-off deal, if it wasn't designed specifically for Intercontinental Packers, then surely someone else who's in . . . let's limit it right down to the processing side of the livestock industry. If someone came to you from the processing side of the livestock industry, would they qualify for this \$12,500 per job that Intercontinental Packers is getting?

Hon. Mr. Lingenfelter: — I would, before I start my comments, just like to say hello to our folks from Cabri as well. Coming from down in the Shaunavon area, that spot's pretty close to home.

I want to say to the member opposite that . . . again, I want to explain this and make it very clear, that the reason that this is different is because of the strategic positioning that we had for processing of pork and processing of livestock in the face of the reality that under Ag 2000 we were targeting a hundred per cent increase in the hog production in the province. We wanted to make sure that the processing piece of the action was in place and therefore this arrangement was made.

And as I was explaining, that in a general way that one-off arrangements with industry is not the way we have gone in a general way. This was seen as a very, very significant piece of the action, a bottleneck that we didn't want to occur in terms of

processing and kill of pork, and therefore the arrangement was made.

And I think it was a very good one because it really is a win-win situation for both the company and for the taxpayers. If they don't create the jobs, it doesn't cost any money. If they create the jobs, the \$12,000 comes back through the system many, many times over very quickly.

And so I say to the member opposite that I think while this arrangement may seem to him to be a one-off arrangement, obviously it was done in a very strategic way in a strategic industry in order to avoid a bottleneck that would occur as our hog production increased.

Mr. D'Autremont: — Well, Mr. Minister, it's certainly valuable to have those jobs in place if they are ever created, because you yet have no indication that those jobs are being created or will be created in the next year.

Now if it doesn't cost anything, if it doesn't cost anything to create these jobs because it's a loan, because it's a forgivable loan if the jobs are created, why then would you not offer the same opportunities to other job creators in this province, to someone else who wants to say put in . . . to expand a processing plant in the poultry industry? Surely a job in Wynyard is just as valuable as a job in Moose Jaw. If a job in Moose Jaw is worth \$12,500, surely the job in Wynyard is worth \$12,500.

Or perhaps, Mr. Minister, perhaps the catch is that there's no election coming up right now to have an impact on creating the job in Wynyard today rather than a year ago when there was an election coming up. And that's why the jobs were created in Moose Jaw at a cost of \$12,500 grant . . . forgivable loan.

Now, Mr. Minister, if a job in Moose Jaw is worth \$12,500, isn't a job in Wynyard worth \$12,500?

(1600)

Hon. Mr. Lingenfelter: — Mr. Chairman, I want to indicate clearly, as you well know, obviously this had nothing to do with an election. It was an arrangement that was being negotiated for some considerable time.

We had consulted with people in the industry across the province. We had consulted with farming groups, with the pork producers. And I came to the conclusion, as I say again — I don't know how many times I can say this — that first of all if the jobs aren't created, it doesn't cost anything.

The fact of the matter was that if we hadn't made the arrangement, we saw that there could easily be a bottleneck in the system where we would increase our production rapidly in the province and then not have the kill plant and the processing plant. And we believed, and this is not only the government but in consultation with the industry, that this was a necessary step to make the process work, and the decision was made.

Now if you're saying you don't like the decision, that's fine. I mean you're perfectly entitled to that. But what I can tell you in

a very broad and general way . . . now I am worried because the critic for the Liberal Party is handing notes to the critic for the Conservative Party. That doesn't really surprise me, but it worries me a little bit because the questioning, I think, was winding down, and this may breathe new life into an issue that was going away.

But seriously, Mr. Member, I want to say to you that you're perfectly entitled to say that we don't think you should have done that. But I want to say that the decision was made based on a criteria, a special arrangement, because it was a special circumstance. That it was a targeted area by the Department of Agriculture to increase, very dramatically, hog production in our province over a short period of time. And we didn't want to get left in the lurch where having increased the production, somehow the processing went to another province.

Mr. D'Autremont: — Thank you, Mr. Minister. I find your comments interesting. This was a special arrangement for a special circumstance, and yet it's not a one-off arrangement. It's not just an arrangement for Intercontinental Packers. It's a general arrangement, but it's only for special arrangements for special circumstances. You can't have it both ways, Mr. Minister.

Either it is a special arrangement just for Intercontinental Packers and is not available to anyone to anybody else, or it is available to anybody else. Now you're trying to say no, no, no, it's not just a special deal with Intercontinental Packers, it could have been Drake Meats, it could have been Burns, it could have been Maple Leaf Foods, it could have been whoever. Then you turn around and say, oh no, no, no, it was a special arrangement, a special circumstance because we had a bottleneck in a particular industry, Mr. Minister.

Well, Mr. Minister, I still contend that if a job in Moose Jaw is worth \$12,500 just before an election — just before an election, because the strike in Moose Jaw had been ongoing for 18 to 24 months. It's really a coincidence that that strike ended weeks, just a few weeks before the election. And yet it's just a special arrangement, a special circumstance, that you could give \$5 million to Intercontinental Packers just before the election, just before their strike ended, again just before the vote.

But it's not a special . . . it's not a one-off, it's not a unique circumstance; it's available to anybody. So does that mean that you have to have a strike ongoing for 18 to 24 months that's going to come up in an NDP constituency just before an election if you want to get the \$12,500 forgivable loan?

Hon. Mr. Lingenfelter: — No, I really look at this as part of our economic development strategy. No, I think this arrangement to avoid a bottleneck in the industry will much more help your friend Mr. Neudorf, because he will be able to have his hogs go into the plant in Saskatoon. If this increase has occurred and there's a bottleneck and he has to ship his hogs, as you say, to Los Angeles, nobody can say that he's better off than doing it in Saskatoon.

So the main beneficiary of this is not some constituency in Saskatoon, or I'm not quite sure what you're referring to, but will be the farmers in Saskatchewan. The same as the

arrangement that we made with Cargill or the same arrangement you made with Cargill when you did your loan guarantee. And so I'm not quite sure what you're arguing.

On one hand you say we should be doing more arrangements, more deals, getting more jobs. We do it, then you're critical of that and say you shouldn't have done it. You can't have it both ways. Either creating jobs is good and the government should have a role to play, or we shouldn't. But you can't say to us on the one hand when we don't have a job creation strategy that we're wrong because we should have one, and then when we have one, you say you shouldn't have one. And this is what I hear from the member from Kelvington-Wadena as well. And sometimes I don't think I can win with you people. When I create jobs, it's bad, and when I don't create job, it's bad.

And so I think we've been going back and forth on this one for a long, long time. And I say that as well, having chatted with both of you about the need to attend a farewell party for a certain individual from my department in the next few minutes, I'll take a couple of more questions, and then we'll turn it over to the minister in charge of SERM (Saskatchewan Environment and Resource Management).

Mr. D'Autremont: — Thank you, Mr. Minister. You know very well what I'm talking about. You're the one who said that this was not a one-off project, that it was available to others. And yet when I query you about that availability, all of a sudden it's a special arrangement with special circumstances. If job creation is important, and I believe that it is, it should be done though through creating economic environment in the province which will allow the jobs to be created rather than direct government intervention. But since you want to participate in direct government intervention, well then that direct government intervention should be available to all those who want to create the jobs.

Now if that is the poultry processing plant at Wynyard and they want to create a hundred jobs, surely those jobs are of equal value to Saskatchewan as the creation of 400 jobs in the pork and beef packing industry in Moose Jaw. One job has to be equal to another job.

Hon. Mr. Lingenfelter: — Well I don't know if they've run out of questions or if they don't like my answer. And obviously you don't like my answer because you keep asking me the same question again. But I only have one answer, and that is that this was seen as a very, very strategic part of the industry . . . (inaudible interjection) . . . Well call it what you want.

But the fact is, is that we made a decision, I say again, a strategic decision that a forgivable loan as the jobs are increased in this one area to benefit all the farmers of the province. . . . And that's why it is an industry decision that was supported.

I mean there may have been a lot of people who didn't like the decision, but quite honestly when I go through my file, there were many more people saying that this was a good decision — to support the industry — than those who opposed.

The other thing is, we did have an election right after it, and one of the judgement calls of whether your decision making . . .

(inaudible interjection) . . . Well look at our caucus. How many are from rural Saskatchewan?

An Hon. Member: — Not many.

Hon. Mr. Lingenfelter: — Of course there are. There's more rural members than from your caucus, I can guarantee you that. And in large part, it is because they like the economic policy. I'm not saying everybody did. Not everybody did. I mean obviously in Souris-Cannington and Moosomin we had a few little problems, although we're working on those right now as we speak.

But I'm saying to you that again you have every right to disagree with that policy or dislike it and try to promote that among farmers and other people, that we shouldn't have done it. And that's fair enough; you're never going to have 100 per cent support for any economic policy or any policy, and I don't expect that.

But I'm telling you why we did it, and I've told you a number of times and I can't add much more to the debate.

Mr. D'Autremont: — Well thank you, Mr. Minister. Yes, you do have a bit of difficulty in a couple of our constituencies, to win there. In fact those few, those very few, NDP supporters in my constituency, leave and have to run in Saskatoon Eastview to win a seat in this Assembly.

Mr. Minister, we will leave that area for another day, as we review your answers.

I have a couple of technical . . . one technical question that perhaps your officials can answer for me. I'm wondering, does your deputy minister use a CVA (Central Vehicle Agency) vehicle? Do any other department heads in your department . . . are they entitled to CVA vehicles?

Hon. Mr. Lingenfelter: — Actually there are two CVA vehicles in the department — my deputy minister and myself. And I haven't done an appraisal on mine recently, but I would expect it would have a value of about between 1,000 and \$1,200 at the present time. And this is a high-miler, as they say. I think it was one that your government used for most of its term in government. It needs a paint job and a few little odds and ends.

But I say this not facetiously, but only to say that the fleet of vehicles that we run as executive vehicles, and I know the members opposite know that, are not — as some in the press call them — luxury cars by anybody's standard.

Mr. D'Autremont: — Thank you, Mr. Minister. I know that the previous administration was very frugal when it came to automobiles. And I know that those same automobiles have deteriorated significantly since 1991 as they move about the province on the province's deteriorating highways.

So, Mr. Minister, again on the CVA vehicles, your deputy is entitled to the CVA vehicle; does he actually drive a CVA vehicle?

Hon. Mr. Lingenfelter: — Yes, he does have a CVA vehicle.

Mr. D'Autremont: — I gather the minister wants to leave as quickly as possible; therefore, Mr. Chairman, I would move at the present time that we rise and report progress.

Hon. Mr. Lingenfelter: — Mr. Chairman, I move that we rise and report progress.

The Chair: — The member from Cannington has already moved a motion that we rise and report progress.

Mr. D'Autremont: — Thank you, Mr. Chairman. I would withdraw that motion.

The Chair: — Is it the minister's intention to continue in the Committee of Finance? Then I would suggest that he not suggest that we rise, just that we report progress.

Hon. Mr. Lingenfelter: — If I could then, I move that we report progress.

**General Revenue Fund
Environment and Resource Management
Vote 26**

The Chair: — We'll begin by inviting the minister to introduce his officials. Before I have you do that, Minister, I just remind committee members you were here on April 15 of this year, one other time.

Hon. Mr. Scott: — Thank you, Mr. Chairman. I'm pleased to have with me today, deputy minister, Stuart Kramer, on my left; associate deputy minister of policy and programs division, Les Cooke, behind me; assistant deputy minister, management services division, Bob Blackwell, to my right; director of parks and facilities, Don MacAulay, behind me; and director of financial and administrative services, Donna Kellsey, to my left.

Item 1

Mr. Heppner: — Good afternoon. And welcome to the minister and his aides. I appreciate this opportunity to ask you a few questions. And I guess, in particular, this is an area that's fairly interesting to me in particular, I guess.

One question to start off with, and I'd like some information on exactly what the methods that are used to arrive at the numbers of hunting licences given out in any areas. Like your surveys, how are those done? Or do you make a survey once every certain number of years and continue on with those?

(1615)

Hon. Mr. Scott: — Thank you, Mr. Chairman. In response to the question, there are a number of ways in which we determine seasons, bag limits, and probably the most obvious method is aerial surveys in the winter when there's still snow cover to determine deer populations, elk and moose and antelope. We also rely on landowners, observers, hunters. We have surveys which people report in year after year in a particular area on the

number of deer, for an example, which are sighted in a particular area.

So we do rely on the public as well as the local conservation officer, again getting feedback from the public. So we do determine this through a number of means.

Mr. Heppner: — Thank you. A question a little more specific. We know that a lot of those numbers very often are sensitive to climate conditions. And I'm wondering, with this winter having been moderately severe in southern Saskatchewan, has that had any significant effect on wildlife numbers in southern Saskatchewan?

Hon. Mr. Scott: — Certainly weather does play a big impact. The winter which we just came through, in some areas where there was a shortage of food, up to 33 per cent of the white-tailed deer population did perish. In other pockets where food is available, they survived the winter quite well.

Upland game birds also did not fare very well with this past winter and the heavy snows. And as you can tell, the weather can have positive impacts too. With the increased wetlands and water availability, waterfowl numbers are higher than they've been for probably 20 years.

Mr. Heppner: — One question on upland birds. Is there any restocking program in place for the ring-necked pheasant? Restocking programs for the pheasant? Because the numbers are fairly low.

Hon. Mr. Scott: — After a number of years of restocking programs for pheasants, we decided that the money and effort put into the restocking was not worth it. However, a number of wildlife federation branches and individuals still do some restocking. We do have a resident population of pheasants around Wood River and Souris Valley area, and we've found out that the resident birds have acclimatized and their young are more apt to survive than released birds. So it's not part of our ongoing program to restock pheasants any more.

Mr. Heppner: — With the changes that are in the works for some of the federal legislation, question: does your department have any involvement with what used to be considered the hunter safety courses and those sorts of things?

Hon. Mr. Scott: — The hunter safety education programs are provincially driven, although the federal government has made some requirements to be implemented into the provincial programs. We have met those requirements with respect to handguns and such like, so we still administer our own hunter safety program. And we're very proud of the successes, with well over 100,000 graduates since the program was brought in 30 years ago.

Mr. Heppner: — Thank you. And I probably was involved in teaching one of the first thousand of those hundred thousands some 30 years ago. There's been a bit of a kerfuffle in the group that's the group of instructors for that program right now. And I'm wondering, is your department at all involved in trying to get all the instructors in the province back inside in an instructing mode?

Hon. Mr. Scott: — Yes, during the change-over period, there was different . . . we had to incorporate new ideas and systems and such like. But I'm happy to report that the operation is running well. We've got some new instructors; some others decided not to continue on. And so we have a very good volunteer system and Rick Wyatt is doing a good job in pulling this together, and the number of students lined up for the program is still encouraging.

Mr. Heppner: — Thank you. It is rather unfortunate that there was that little glitch in the system, because I think the Saskatchewan . . . as people in Saskatchewan, we've had probably what I consider to be the best firearm safety or hunter safety program in Canada. And I hope as the negotiations and the modifications continue, as you have to work through with the federal program, that we'll be able to dig in our heels enough and not lose what's been just an excellent program throughout the past and has been highly successful. And I think it's a program that people in Saskatchewan can be justly proud of and what it's done over the past decades in fact.

Sort of an event that's happened fairly recently: I believe there was a sale of Crown land to the Okanese Band that took place very recently. And I'm just . . . The question I have is, when these particular sales take place, there's usually a fair bit of reaction in the country in the area right around there, and I'm wondering what kind of opposition there was to that particular sale that took place recently.

Hon. Mr. Scott: — Yes, the Okanese Band applied for two parcels of land in the Porcupine forest area. One was around Round Lake. I think it consists of nine sections — I'm not sure of the exact size. But there was considerable opposition to the province selling that parcel of land because of the number of people involved in the area.

So we as a province have 90 days to get feedback, and after the feedback, we recently decided we would not sell that parcel of land.

Now the other parcel of land near Mann Lake, we did not get as many complaints or feedback on. And we have said yes, the band can go and negotiate with the current third-party interest people in the area, which basically consists of two trappers and an outfitter. And the if the band can successfully negotiate settlement with the two trappers and the outfitter, portions of that parcel of land may be sold to the band.

Ms. Draude: — Thank you, Mr. Deputy Chair. Mr. Minister, I just have a short question . . . welcome to your aides as well. So there was some opposition to the sale of the Crown lands in that area was there?

Hon. Mr. Scott: — Yes, the parcel of land around Round Lake, there was considerable opposition to that, so that parcel of land will not be available for sale. And I should have mentioned, the parcel of land surrounding Mann Lake, we will still maintain the roads and trail rights of way and the water bodies. If it is sold, we'll still control those.

Ms. Draude: — I understand that they'll have to negotiate with the third-party interests. If they can't come to some kind of an

equitable agreement, then it won't go through; is that correct?

Hon. Mr. Scott: — Yes, that is correct. Third-party interests have to be extinguished one way or the other. And if no agreements can be made, then the land will not be sold until third-party interests have been dealt with satisfactorily.

Mr. Heppner: — Thank you. Back to a question or two on game licences. Two questions: what decides the cost or the price on a particular licence and where do the monies go? So, for example, I believe if \$33 is a common figure that shows up in the synopsis, what dictates what the price is and where do the monies go?

Hon. Mr. Scott: — The licence fees are determined by a number of factors. For an example, we compare with other jurisdictions, we consult with groups like the wildlife federation and SARM (Saskatchewan Association of Rural Municipalities). And an example of these discussions has resulted in . . . (inaudible) . . . deer tags in some zones being half of what the buck licence is. So we do look for input from a number of areas. The fund is . . . funds themselves, from the licences; 30 per cent goes to the fish and wildlife development fund, which was started in the early 1970s at the request of the wildlife federation, and the remaining 70 per cent goes into general revenue.

Mr. Heppner: — Thank you. Moving into the area of environment for a while, and specifically The Environmental Assessment Act review, a couple of years ago you announced with a certain amount of enthusiasm the imminent amendment of The Environmental Assessment Act and then these changes seem to have been shelved when there was some opposition. And usually, whatever direction you take, you will have some opposition on that issue, as you're probably aware of.

But the question I have is, can you outline the reasons why your initial amendments were shelved?

Hon. Mr. Scott: — You're certainly correct in saying that we were looking at amending the environmental assessment legislation a couple of years ago. And what we did when we had sort of a proposed package together, we went to the public, we met with interest groups as well as the public at large, and there just wasn't the public support to proceed with the amendments and the changes, so we simply backed off and we are continuing on with what we had.

Mr. Heppner: — Coming from a rural, small town area as I do, there is a continual concern about property sale that has had old fuel tanks on it, like I'm talking within the town boundaries. Because in days gone by almost every store in town had some sort of underground tank for something or other. And this creates a lot of difficulty, when that property is supposed to be sold and when the banks get involved, getting their certificate.

I'm wondering where we're at with that, and if we have a view for the future on that situation.

(1630)

Hon. Mr. Scott: — That certainly is a very real problem in

many communities, is the orphan sites, or contaminated sites also, whether it's underground fuel tanks or waste disposal sites. And because many people have perhaps benefited or been involved with these sites, we have initiated a study group to look at the whole issue of liability.

And we've tried to bring in as many stakeholders as we possibly could — SARM and SUMA (Saskatchewan Urban Municipalities Association), Dale Botting's group, the lending institutions, the environmental fairness group, service station owners — and they are looking and going to be reporting to us later this summer, or in the fall, as to how we should proceed.

It certainly isn't fair for the current resident or occupant of an area to pick up the whole bag of expenses in fixing this site. At the same time, the rural community doesn't want the whole bag and pay for it all, nor does the province. So we will be getting a report back. And that's a very real problem and I'm pleased you raised the issue.

Mr. Heppner: — I think you mentioned the partners you're going to have involved in making some of those decisions and I think that's a good selection there.

The question that I do have is, do you have a time line of sorts in place, or at least that you're aiming at to have this revamped process in place?

Hon. Mr. Scott: — We expect this group to report back to us this fall sometime. Following that we will be taking their recommendations out to the public through a series of public meetings, getting feedback. And if there's a general consensus certainly in one direction, we'll be working towards that.

But our goal is to resolve the environmental problem and also do what we can to minimize the impact on the various people that have been left holding the bag, so to speak, with these properties. So we will be using the public consultation process extensively on this.

Mr. Toth: — Thank you, Mr. Deputy Chairman. Mr. Minister, this is an area that I had down to discuss. It's an area that . . . even just the other day when I was coming back from my constituency and I stopped to fuel up at a small service station in the community of Windthorst, and I was talking to the proprietor. He's got a tire shop as well as a fuel bowser, the only one in town, I might add.

And his comment was, see that sticker on the wall? That costs me \$9,000 for nothing. He spent \$9,000 to do a bunch of tests and whatever, put down. . . And he went to the bank to borrow a few thousand dollars just to kind of get on his feet and keep things going. The bank wouldn't even look at him. I think now he's doing actually quite well, but he found that the amount of tires that he's handling and working with tires and trying to keep up doesn't do enough to keep someone at the shop. It's just become a real hassle for him. He'd like to sell; he paid a good dollar for it.

Unfortunately, Mr. Minister, he's still sitting there, because of the regulations that are in place, unable to do anything. And many other small retailers around the province are in that

position. And so I was talking to Bill Ireland. We talked to him just the other day. I understand there's meetings yesterday and today as to coming to some kind of an understanding and agreement on this, Mr. Minister.

And I might add that the people I talked to felt a lot more comfortable with how the talks have been progressing, and maybe that's an indication that we finally have people in the department who have a bit more of an understanding of the problems out there and they're willing to at least listen to the stakeholders. And I think you just made a comment about the fact. And possibly you, Mr. Minister, come from some of the same area I represent, where we have communities that are struggling even just to keep a service available in the community, and most of it is totally tied to the regulations regarding underground storage tanks.

So if I understand you correctly, Mr. Minister, at the present time we've got a discussion taking place between the stakeholders and the department. And once you're done that discussion, you are then going to give people throughout the province the opportunity to go through some of the recommendations that have come out of the discussion paper, and then you will come up with a policy that everyone, I hope, can live with.

And I trust in that discussion, Mr. Minister, that you're not immune . . . (inaudible) . . . the fact that if we look at the compensation, whether it's compensation or whether it's even the cost in areas where maybe tanks have to be removed, that there is some association to the amount of revenue that is derived out of the sale of those products. And I bring up the fact that taxation takes a good chunk out of a litre of fuel. And the oil companies take a good chunk. And that small retailer is left with a very small amount, and yet he's expected to absorb all the costs.

So what I'm asking of you, Mr. Minister, is the discussion that's taking place right now all inclusive? And what I mean by that, including all of the concerns that are being raised, even to the point that there should be some involvement by the stakeholders based on the revenue that is generated by a sale of a litre of fuel?

Hon. Mr. Scott: — Yes. Again you have certainly hit on an issue which is very important to small communities, and it was an issue that your government in 1988 cited and first brought in the underground fuel tank regulations to deal with this problem. And again to . . . working with the people and listening to them, including service station owners, we've modified these regulations a number of times. And in fact many tanks can continue to operate as long as they have a test system in place, which costs about 250 to \$275 per tank to install.

So we're working with these groups, but you're certainly correct. Bill Albert is one of the members on this committee and we will be looking forward to the report. And I think as you also identified, every case will be a little different and we need to be able to be flexible, to consider things like volume of sales and such like.

The Chair: — Why is the hon. member for Swift Current on

his feet?

Mr. Wall: — With leave, to introduce guests, please.

Leave granted.

INTRODUCTION OF GUESTS

Mr. Wall: — Mr. Chairman, thank you, and thank you to the members of the House. I'd like to introduce a constituent of mine who is very involved in the home care program in Swift Current for a number of years. He also served on the district health board and now is with the support branch of the Department of Health. I'd like all members to . . . I hope that you enjoy the session that you're watching, Jim. And I'd like all of you to make Jim Wallace feel welcome. Thank you.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

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Item 1

Mr. Toth: — Thank you, Mr. Deputy Chair, and Mr. Minister. In the discussions that are taking place right now, are they discussions simply centred around underground storage tanks or are we discussing other areas of concerns regarding environmental regulations. I'm talking of storage facilities and also waste dumps in communities and the problems that have been associated with the changes that have come in place; is this an all-inclusive discussion trying to hopefully at the end of the day reach . . . come to a consensus as to how we address the concerns of the environment and how we handle waste management and what have you.

Hon. Mr. Scott: — Yes, you are correct. It does go beyond underground fuel tanks. For example, the Southeast Surface Rights Association is on this committee because there's a number of sites around oil and gas wells which perhaps have been contaminated, so we want to deal with those. And industry sites, industrial sites, spills, so we're looking at the broader range of contaminated sites in general.

Mr. Toth: — Well I appreciate that, Mr. Minister. Does that include farm yards as well?

Mr. Minister, when it comes to managing our resources and our environment, another concern that was just raised at a graduation last week. The community of Windthorst went through an extensive program of setting a blue box program up in their community and educating the public within the community as to bringing disposable and recyclable products and making sure that in many cases it was sorted so that magazines or clothes or whatever were in different boxes.

And then they would collect those — and I'm not sure if they did it on a weekly basis or a monthly basis — and kind of stored it. And then they'd get a large truck load and they'd bring it in to the city of Regina and there was a . . . I don't know the exact place, but they used to bring this material in and they

would be paid for the material, the recyclable material, in there. And they were getting about \$300 a load when they brought it in, which made it more than feasible for them to continue to operate this program. Recently, Mr. Minister, they brought a load in and they received \$30 — it didn't even cover the gas.

What I'm wondering, Mr. Minister, what has happened to change the value of this product and the recycling program that's in place to the point, Mr. Minister, that basically the community is saying, what's the use? Why should we have spent all this time, all this effort, this money, spent this money to get this program up and running, get the blue boxes, and now there's no value in it? We may as well just let the people take it out and burn it wherever. It ends up in the ditch or whatever, Mr. Minister.

Can you tell me what has happened to change this? Has there been a move by the department to maybe give all the services to SARCAN?

And the reason I raise that is because what's happened in the community of Kipling, they've got a recycling bin available plus they've got a crusher to compact paper materials. And it's . . . like the people of Windthorst are basically saying, is this a method whereby the department is saying, well to our community, you drive, make the 10-mile trip down to Kipling and let SARCAN handle it rather than using a program that's already been set up in your community.

Specifically, what is the response to that, Mr. Minister?

Hon. Mr. Scott: — Recycling products is something that the public certainly wants to be involved in, from school children to homemakers, whatever, and it's certainly something that we all want to do and encourage. And unfortunately with our sparse population . . . We take paper recycling for an example. We may have a dealer in Regina that has an outlet for paper for recycling and if he goes belly-up or moves, then that source or that outlet or that vehicle for recycling paper is gone. And that's one disadvantage of having a small population which is scattered over a large area.

On the other hand, we have a number of positive recycling programs. SARCAN for an example is very successful with 90 to 95 per cent of the cans returned. And the government — we have nothing to do with SARCAN. They're up and running and creating jobs, doing a good job.

And realizing that people do want to be involved in recycling, we are very happy to initiate tire recycling as well as used oil recycling this year. And again we expect good public participation. Another example of recycling is the pesticide chemical containers.

So we are doing what we can, and I think we're doing well, although certain areas and products — paper and what not — the price does fluctuate widely depending upon the availability of a market.

(1645)

Mr. Toth: — So what you're saying then, Mr. Minister, in this case it's not specifically something that the department has

done through regulations, just the fact that they're dealing with a buyer who all of a sudden has found he may not have a supplier ready to take the products, so therefore he has adjusted his prices accordingly. And if that's what you're saying that . . . certainly I can pass it on. And the community, maybe they can look at other alternatives. If I'm not mistaken, I think Saskatoon also has an outlet but I'm not positive on that.

Mr. Minister, when it comes to recycling there are certain products that for some reason or other aren't accepted by SARCAN, and I'm not sure whether that's just a policy they have because of the handling of the product. One of them, in particular, is a product that we see more and more of, and that's 4-litre plastic milk jugs. And it doesn't take long for a garage to fill up with milk jugs. You can get away with some small — what are they? — 10-ounce pop bottles or 16-ounce pop bottles or the 2-litre jugs of pop, but these 4-litre milk containers are becoming a real nuisance.

And I'm wondering why they are not being recycled. What would be the reasons why they would not be accepted.

Hon. Mr. Scott: — That's a very good question and it's been raised before. And just last week or the week before, we met with the grocery industry, which utilizes these plastic jugs, and we are working as quickly as we can to get a recycling process going for those, as well as cardboard milk cartons and the Tetra-Paks.

So we are working in this direction, and hopefully, within the next few months we'll have some positive announcements on those.

Mr. Toth: — What is the reason that they aren't being recycled right now? Is it because we don't have a deposit on them and you're just trying to work at it . . . work at some kind of an understanding regarding a deposit fee to cover the costs of recycling it? Or is it, it's a product that isn't all that easy to be recycled and turned back into some form of reusable product?

Hon. Mr. Scott: — Certainly the plastic milk jugs are fairly new on the market — a few months or whatever — and we are in the process of working out a deposit on them and an avenue to recycle them, whether it's through SARCAN or the supplier or whatever. But we are working towards that.

Similarly with Tetra-Pak, we have been charging a fee on Tetra-Pak simply to not give them the advantage over the market-place, but it looks like somebody has found a way to recycle Tetra-Paks and we're hoping to have some positive announcements on those very shortly as well.

Mr. Toth: — Would the concern regarding the milk cartons be something about reusing them or just breaking them down? I'm not sure. The unfortunate part with milk cartons, unless a customer takes and rinses them out well before they haul them in, is that you're not really sure whether you want to have somebody swish some water around after about a month later and then reuse them. And is that one of the concerns as to whether you reuse them or just compress them and use them in another form?

Hon. Mr. Scott: — Yes, again it's just a matter of having an avenue or a program to recycle them. They would not be reused as milk cartons per se unless they were totally recycled. As you point out, there's the health concerns and . . . But it does look like we will have a system in place to collect and to reprocess these, both the cardboard milk cartons and the plastic jugs.

Mr. Toth: — Thank you, Mr. Minister. Coming back to another issue that certainly came to the forefront this past winter, and that's regarding wildlife compensation. Mr. Minister, what is your department doing presently to address the concerns that were raised by producers at a number of meetings around the province?

While you stood in the Assembly about a month ago and said — or two months ago and said — well just wait, people will get out and they'll harvest this crop and it won't be as bad as was expected. I've talked to some of the producers, and I can assure you, Mr. Minister, it was worse than some of them expected. It wasn't quite as bad as they thought it might be.

But the facts are with the current prices in some cases versus what they would have harvested last fall and what they were able to recover this spring, it was about a 50 per cent reduction. In the terms of flax, where you took a 15 bushel crop off last fall, you're taking seven bushels off this spring. Not only was it a reduction by half, but a downgrade in the quality of the crop at almost 8.50 a bushel. That's a substantial economic loss, Mr. Minister.

And so I know many producers are actually quite annoyed that your deer, the Crown's livestock, outright damaged their resource and something that they were trying to make bill payments with this year. And yet we don't have anything in place.

And quite frankly, the current system under crop insurance doesn't address the problem out there. And, Mr. Minister, you had mentioned that you'd be working on something. Well it doesn't meet the problem that was associated with last fall. And this winter may not be quite as bad as this last fall, although I can assure you from what I see even this year from waterfowl, there is going to be some producers complaining.

We were just driving over the community of Moosomin the other day and there were 100 geese sitting out on a piece of land where we haven't seen geese before, and even right close to home. And you know what 100 geese can do in a hurry. That's just a small flock. So some of these other issues are going to be coming up.

So where are we today, Mr. Minister? What is the department doing? And I'm sure maybe it's some . . . Through consultations with the Department of Agriculture trying to design a policy, where are we based on what the wildlife federation has recommended in regards to taking some of the funds from fees, licence fees, and putting them towards a long-term compensation program? And as well as designing something that producers can be involved in that would be voluntary, that would be an add-on program, that would be . . . it wouldn't be something just amalgamated into Crop Insurance that really means nothing. Mr. Minister, can you let us know

where we are today?

Hon. Mr. Scott: — Yes, there's certainly no secret that we had deer damage last winter, and we have not forgotten that. And we continue to work in programs. Some of our hunting regulations will enhance an increased harvest. I might add that last hunting season there was a record number of white-tail deer harvested in Saskatchewan, well over 50,000 animals.

And one of the things, for an example, that in working with SARM and landowners, if written permission is obtained from a landowner in the south-east, where traditionally vehicles were not allowed off roads, vehicles will be allowed to drive in farmers' fields providing written permission is obtained from the landowner.

This will probably contribute towards an increased harvest and we will certainly be . . . We're looking at experimenting with lure crops and wildlife development fund lands, again incorporating or working with the local wildlife federations to help us produce these lure crops.

We are still working on the compensation end. We hope to, by the end of July, have an announcement where there will be a fund established, again with cooperation with hunters and the wildlife federation. So we are certainly working towards this.

Our ongoing programs are providing permanent fencing for feed stacks will be in place. What we want to do with haystack damage is fix the problem instead of just throwing money at it. So we will continue on in that direction as well.

And hopefully all of the crops will be harvested and be in the bins. As you say, the prices are very attractive right now.

Mr. Toth: — Thank you, Mr. Minister. Mr. Minister, my colleague has just raised the point. It's interesting, while we were driving down the road, and certainly our area was . . . you had to be very careful as you were driving, especially last fall, and it's beginning to show up again in the spring, with regards to the number of deer that happen to walk out or run in front of you. If you're fortunate enough to spot them quick enough, you'll miss them. But the fact is when you hit a deer, Mr. Minister, SGI (Saskatchewan Government Insurance) comes along and looks at it. Well it wasn't your fault — you tried, but they cover the damage.

The unfortunate part is while we carry crop insurance or other insurance for crops, if the deer happen to come in, it's . . . through no-fault insurance — it wasn't any fault of your own — but sorry we're not covering, we're not helping you out.

Mr. Minister, it would seem to me that maybe we need to include SGI in compensation for deer damage. It's offered certainly for cars or vehicles travelling the road. Whether or not that's a possibility, it might be something that would be looked into. The minister responsible might not appreciate that but I'm just tossing it out as a suggestion.

The other thing . . . and when we're talking about compensation, while we talk about compensation, Mr. Minister, I guess a feeling that I have had is, in addressing the problems

we have with deer on the roads or deer in farmers' fields, in the crops, or even in stored feed supplies, we have a number of acres of land throughout this province that is wildlife development land, a land that's been set aside for wildlife.

We've got a program that's been set up, and to be quite honest, it's totally ludicrous. And I know wildlife members aren't going to agree with me and they'll say that member from Moosomin is way out to lunch — I know this.

Quite frankly, there are some of the wildlife members in my area are beginning to see that there might be a point. And when I say it's so ludicrous, it's a fact that when wildlife comes in, picks up some land, the wildlife development fund, the first thing they do is take off a quarter section of fence so that nobody can put livestock in there. And I find it interesting. I drive by pieces . . . patches, or pieces of property where later in the summer you've got three and four feet high grass sitting in there and the deer are out in somebody's pasture just grazing with the livestock. This other grass is grown. They haven't been able to keep up. It's got old. They don't like it. They like the new stocks.

And so what I would like to know, and I've suggested to the wildlife members in my area, it's time we looked at maybe even a controlled grazing program. And if wildlife members are so set on you can't have grazing in it, maybe they need to develop a program that has controlled grazing. And what I mean by that, a limited number of cattle. Deer get along well with cattle, and it's a way of helping the local farmer out as well as maintaining an area for wildlife.

Another thing, Mr. Minister, is maybe cultivating a small plot on that property of about 30 or 40 acres, putting alfalfa in it, and having if you will the local wildlife federation go in and harvest that, roll it up, and then set those bales out in there and maybe hold some for later on in the year. Rather than the department having to go out and take money to buy feed to keep deer out of somebody else's property, you've already got your own sitting there. We've got all this land all over, Mr. Minister.

And I'm wondering, Mr. Minister, if the department's given any thought to something along this line as well.

Hon. Mr. Scott: — You raise a good point and I guess people often focus very narrowly on specific issues. This is an example. People figure wildlife are ducks and deer because they may perhaps cause a problem. These lands are a place where many of our rare and endangered plant species such as yellow lady's slipper survive. These species of plants cannot tolerate being trampled by livestock.

Our duck population in many areas, over 90 per cent of the duck nests are unsuccessful simply because there's a lack of cover. So these lands provide nesting cover for upland birds, songbirds, and waterfowl as well.

Certainly grazing is not totally out of the question; it's been discussed. There's been lots of debate around the issue, but I guess so far, the hunters believe that they're paying to buy these lands and they should have the say in managing it, and probably controlled grazing in certain situations would not be a problem.

You have many other people problems though. You have to decide who gets the lease. And if it's a dry year, do you tell the landowner he can only put half as many cattle into the lease? Who pays for the fencing, and so on and so forth. But our goal is to work with landowners, because without the cooperation of private landowners in Saskatchewan, we simply will not have a valuable and varied wildlife resource.

The committee reported progress.

COMMITTEE OF THE WHOLE

The Assembly recessed until 7 p.m.