

The Assembly met at 13:30.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Hermanson: — Thank you, Mr. Speaker. Mr. Speaker, I would like to present a petition signed by a number of my constituents from Rosetown-Biggan. It is in regard to the government's Crown corporations, SaskPower and SaskEnergy both recently announcing significant rate increases for residential and business customers. The petition states:

Wherefore your petitioners humbly pray that your Honourable Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rebate to Saskatchewan consumers.

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

Mr. Speaker, these petitioners are from Lucky Lake, Birsay, Outlook, Beechy, Rosetown, and Saskatoon, and I'm happy to present them.

Ms. Draude: — Thank you, Mr. Speaker. I too have a petition to present today on the EMS (emergency medical services) report that was given to government:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to not implement the consolidation and centralization of ambulance services as recommended in the EMS report and affirm its intent to work to improve community-based ambulance services.

The people that have signed this petition are from Naicam and Pleasantdale.

Mr. Gantefoer: — Thank you, Mr. Speaker. I too rise on behalf of citizens concerned about the ever-increasing cost of utilities. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Honourable Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rebate to Saskatchewan consumers.

Signatures on this petition, Mr. Speaker, are all from the community of Melfort.

Mr. Stewart: — Thank you, Mr. Speaker. I rise to present a petition signed by citizens concerned with proposed weight restrictions on Highway 43. And the prayer reads:

Wherefore your petitioners humbly pray that your Honourable Assembly may be pleased to cause the government to recognize the economic harm its plan to close Highway 43 to heavy traffic will do to south-central Saskatchewan and instead to vote necessary funds to

upgrade Highway 43 in order to preserve jobs and economic development in the area.

And the petition is signed by individuals from the communities of Vanguard, Pambrun, Aneroid, and Swift Current.

Mr. Wall: — Thank you, Mr. Speaker. I rise again on behalf of people from across southwest Saskatchewan concerned about the state of their hospital. And the prayer of this petition reads as follows:

Wherefore your petitioners will humbly pray that your Hon. Assembly may be pleased to cause the provincial government to carefully consider Swift Current's request for a new hospital.

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

And, Mr. Speaker, this petition is signed by people from the city of Swift Current, from Kyle, from Hazlet, from Ponteix, Wymark, and Stewart Valley.

I so present.

Ms. Bakken: — Thank you, Mr. Speaker. I rise today to present a petition on behalf of citizens of Weyburn-Big Muddy who are concerned about the EMS development project. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to not implement the consolidation and centralization of ambulance services as recommended in the EMS report and affirm its intent to work to improve community-based ambulance services.

And the petition is signed by residents of Radville, Weyburn, Regina, Balgonie, Tribune, and Ceylon.

I so present.

Mr. Weekes: — Thank you, Mr. Speaker. I also rise to present a petition to retain the Hafford Hospital. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to take necessary steps to ensure the Hafford Hospital remains open.

And this is signed by the good citizens of Hafford, North Battleford, and Maymont, and Speers, Saskatchewan. Thank you.

Ms. Higgins: — A petition signed on behalf of residents of Moose Jaw and the surrounding area.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to pass comprehensive provincial legislation to prevent children from starting to smoke, to protect all citizens from second-hand smoke in public place and workplaces, and to control youth access to tobacco products.

And as in duty bound your petitioners will ever pray.

Thank you very much.

Mr. Addley: — Thank you, Mr. Speaker. I also rise to present a petition concerning tobacco use in our society. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to pass comprehensive provincial legislation to prevent children from starting to smoke, to protect all citizens from second-smoke in public places and workplaces, and to control youth access to tobacco products.

And this petition is signed mostly by people from Moose Jaw, as well as an individual from Regina.

I so present.

Mr. Brkich: — Mr. Speaker, I have a petition signed by a number of my constituents concerned about the high cost of power and energy rates. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rate rebate to Saskatchewan consumers.

As in duty bound, your petitioners will ever pray.

The petitioners are from Bladworth, Girvin, Davidson, Langham and Prince Albert.

I so present.

Hon. Mr. Hagel: — Thank you, Mr. Speaker. It's my pleasure to table petitions in support of comprehensive tobacco control legislation. The petition reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to pass comprehensive provincial legislation to prevent children from starting to smoke, to protect all citizens from second-hand smoke in public places and workplaces, and to control youth access to tobacco products.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, these petitioners are from the city of Moose Jaw, from Marquis, and from Pense.

And I do table.

Mr. Hart: — Thank you, Mr. Speaker. I too want to present a petition today on behalf of constituents. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to not implement the consolidation and centralization of ambulance services as recommended in the EMS report and

to affirm its intent to improve the community-based ambulance services.

As in duty bound, your petitioners will ever pray.

And signatures to this petition come from the community of Wynyard and Leslie.

I so present.

Mr. Allchurch: — Thank you, Mr. Speaker. I rise in the Assembly today to bring forth a petition regarding the high energy rates. And the petition is:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to use a portion of its windfall oil and gas revenues to provide a more substantial energy rate rebate to Saskatchewan consumers.

And petitioners from Saskatchewan are from Leask, Mullingar, Spiritwood, and Chitek Lake.

I so present.

Mr. Huyghebaert: — Thank you, Mr. Speaker. I rise again with a petition from concerned citizens reference the cuts at the Assiniboia Pioneer Lodge. And the prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary action to ensure that, at the very least, current levels of services and care are maintained at Pioneer Lodge in Assiniboia.

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

And, Mr. Speaker, these come from throughout the constituency in all of southern Saskatchewan — Assiniboia, Willow Bunch, Shaunavon, Verwood, Redvers, Fir Mountain, Scout Lake, Flintoft, and Wood Mountain.

I so present.

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.

Petitions on the following matters:

Ensuring the Hafford hospital remains open;

The centralization of ambulance services;

A new hospital for Swift Current;

Funding to upgrade Highway 43;

Legislation to protect children from tobacco use; and

An energy rebate to consumers.

NOTICES OF MOTIONS AND QUESTIONS

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I give notice that I shall on day no. 24 ask the government the following question:

To the Minister of Social Services: does the province have any responsibility for administering any funds received from the federally funded Head Start program; if so, which provincial departments receive funding, and how much?

Mr. Brkich: — Mr. Speaker, I give notice I shall on day no. 24 ask the government the following question:

To the minister responsible for Crown Investments Corporation: how much municipal and school tax did CIC pay on the potato storage facilities to the RM of Rudy and to the town of Broderick; were there any grants in lieu of taxes paid, and what is that amount; what was the amount that the RM of Rudy filed on its tax notice to CIC for the potato facilities at the town of Broderick?

Mr. Hillson: — Thank you, Mr. Speaker. I give notice that I shall on day no. 24 ask the government the following questions:

Regarding Crown expenditures on external investment travel: how much was spent on travel outside of Canada by officials of SGI and its subsidiaries to investigate investments made or under consideration during the year 1999?

I have similar questions for the year 2000 and for the current year.

And, Mr. Speaker, I also give notice that I shall on day no. 24 ask the government the following question:

How much was spent on travel outside of Saskatchewan but within Canada by officials of SGI and its subsidiaries to investigate investments made or under consideration during the year 1999?

With again similar questions for each of the following years.

INTRODUCTION OF GUESTS

Hon. Mr. Trew: — Thank you, Mr. Speaker, It's my pleasure to introduce to you and through you to the members of the Legislative Assembly, a friend that I've known for, I guess it's 14 years now, Gunnar, Gunnar Passmore of the Sheet Metal Workers' Union, in the west gallery. And I'll ask all hon. members to join me in welcoming Gunnar to our Assembly.

Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I'd like to introduce to you and through to the Assembly, a gentleman and his daughter seated in your gallery, Mr. Glen Gardner and his daughter Lindsay. Mr. Gardner is the son of a former member of this Assembly, John Gardner, and we're pleased to see Glen.

And I think the idea was to give Lindsay a bit of a view of what the Assembly . . . how the Assembly operates, and so we want

to welcome them this morning to the . . . this afternoon to the Assembly.

Hon. Members: Hear, hear!

Hon. Mr. Melenchuk: — Thank you, Mr. Speaker. I too would like to join with the member opposite in welcoming Glen and Lindsay Gardner. Lindsay is enjoying her Easter break. She's a high school student at Kennedy High School. She has very much an interest in politics, and of course everyone knows her dad, Glen Gardner who is my chief of staff. And Lindsay is the granddaughter of John Gardner, who is the former MLA (Member of the Legislative Assembly).

So I'd ask all members to welcome them to the Assembly today.

Mr. Kwiatkowski: — Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all member of the Assembly, my two daughters, Carla and Krystal. And they are seated in your gallery, Mr. Speaker. Carla is in grade 11 and Krystal in grade 8.

And I think to avoid the possibility of becoming bored, Mr. Speaker, they both insisted that they bring their best friends with them on this trip. And Carla has as a guest with her, Jennifer Campeau, and I think a lot of members should recognize Jennifer's name. Her father, Mr. Alvin Campeau, is a very, very well respected leader in the Aboriginal community and in Saskatchewan's business community.

And Krystal's guest is Paige Logan, and Paige's parents, Craig and Glenda Logan, farm in the Porcupine area. I would ask everyone to join me in welcoming Carla, Krystal, Jennifer, and Paige.

Hon. Members: Hear, hear!

Mr. Prebble: — Thanks very much, Mr. Speaker. Mr. Speaker, I'm pleased to introduce two friends of mine and guests in the west gallery. Allan Appelby has joined us this afternoon, and Colleen Richert.

Allan has made a long-time contribution to environmental work, both working within SERM (Saskatchewan Environment and Resource Management) and in the environmental movement for the World Wildlife Fund, and also for the Saskatchewan branch of the Canadian Parks and Wilderness Society.

(13:45)

And Colleen lives in my riding, and is executive director of the Saskatchewan branch of the Canadian Parks and Wilderness Society.

I've enjoyed very much my association with both these fine people and I'd like all members to join me in welcoming them to this Assembly.

Hon. Members: Hear, hear!

Hon. Ms. Atkinson: — Thank you very much, Mr. Speaker. It

gives me a great deal of pleasure to introduce to you and to all members of the legislature, two guests who have travelled from Saskatoon to attend question period.

I'd like to introduce Mary von Dewitz and her daughter Brigid von Dewitz. Both Mary and Brigid are on a bit of an Easter vacation from school. Mary teaches at the Martensville School and Bridget attends that school.

And just on another note, these two citizens of Saskatchewan come from a fine family. And they are related to Chief Justice Emmett Hall who was the Chief Justice of the Supreme Court of Canada. And I'd like to welcome both of them to the Legislative Assembly this afternoon.

Hon. Members: Hear, hear!

Ms. Higgins: — Thank you, Mr. Speaker. I would like to introduce to you and through you to members of the House, a young gentleman sitting in the west gallery, Brad Smith, who is a constituent and a sometimes neighbour when he's not here in Regina attending university.

Brad has always had a keen interest in politics and for quite a number of years has been very involved. So it's good to see him here this afternoon, and I'd like all members to welcome him.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Lloydminster Border Kings Win Allan Cup

Mr. Wakefield: — Thank you, Mr. Speaker. I wish to congratulate the outstanding hockey achievement of the Lloydminster Border Kings in winning the Allan Cup last weekend in Sarnia, Ontario. As you might know, the Allan Cup represents the Canadian senior level hockey championship.

During the four-team round robin play during the week, the Border Kings went undefeated and gained a place in the final game against Pretoria. The final score was 7 to 2 for the Border Kings.

Special congratulations should go to head coach Bill Thon and the coaching staff, as well as a pat on the back must go to the team captain Merv Mann, and all the players, managers, and trainers. The goaltender, Jason Clague, was declared tournament most valuable player.

Over the years a special association has evolved, Mr. Speaker, with the Allan Cup. Since the early part of the last century, the Allan Cup has represented the best level of amateur hockey in Canada. Many Allan Cup winners were chosen to represent Canada in world and Olympic competition.

Some might remember names like the Toronto Marlboros, the Trail Smoke Eaters, Edmonton Flyers, and the Penticton V's. In fact, no other Saskatchewan team has won this Allan Cup for over 50 years, so Mr. Speaker, I would ask the members to join in congratulating the 2001 Allan Cup champions, the Lloydminster Border Kings.

Some Hon. Members: Hear, hear!

The Western Producer Survey

Mr. Wartman: — Thank you, Mr. Speaker. Mr. Speaker, as we come back refreshed from our Easter break, I'm happy to bring to the Assembly news that should make us all feel even better — at least those of us who by nature and by evidence are optimistic about the future of the province. That is every sector of our province, Mr. Speaker.

A survey commissioned by *The Western Producer* and released last Thursday says that 96 per cent of agricultural producers in the three Prairie provinces expect to remain in business in the coming year. Significantly 80 per cent of those surveyed said they plan on being around for at least the next five years. Most telling and most important, Mr. Speaker, 94 per cent of farmers under the age of 40 have the strongest sense of optimism and clearly expect to be still farming five years from now.

As Glenn Caleval, marketing director for *The Western Producer* points out, this survey was taken in the first two weeks of March, a critical time at which farmers can expect to have a good understanding of their business position for the coming year.

Now, Mr. Speaker, we recognize that prairie farmers are in the midst of a critical time and no one would minimize the serious economic problems they face. But these business people who have experienced the best and the worst that climate and markets can throw at them are not sentimental or unrealistic about their prospects. If they say they're going to be with us for a significant time, I think we would be imprudent to question their optimism.

Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Saskatchewan Investment in Ontario

Mr. Hillson: — Well, more good news for Saskatchewan, Mr. Speaker. Contrary to what some people thought, the NDP (New Democratic Party) does have a job creation strategy. The only catch is the jobs are in Ontario.

Mr. Speaker, I'm sure that Mr. Harris and his Tory government were thrilled to find out that this NDP government has confidence in Ontario as a place to invest, even though Ontario's government and economy is now slowing. The government assured that this new investment will make money despite the fact it has fallen on hard times the last several years. Can it possibly be that the NDP is trying to divert attention from the fact we're losing people to Alberta by losing people to Ontario instead?

Mr. Speaker, the recent Liberal convention passed a motion saying we should not be investing through our Crowns outside of Saskatchewan. I call upon all Liberal MLAs to support that motion. If our Crown corporations do not have confidence and faith in the future of this province, how will anyone else have confidence? If our Crown corporations are determined to invest outside of Saskatchewan rather than inside, why would other

businesses have more confidence than the NDP has?

New Hospital for Melville

Hon. Mr. Osika: — Thank you, Mr. Speaker. I rise today to discuss a very important concern in my constituency — something near and dear to those who live in the Melville constituency, Mr. Speaker.

The St. Peter's Hospital replacement project is the endeavour of various boards and volunteers who have worked more than 16 years to bring a new hospital to the area. This is a fulfilment of communities of people who have worked hard through setbacks and false starts to create a facility for not only Melville, but a dozen surrounding rural communities.

These are communities who have and continue to work hard to raise the local share of the cost necessary for the hospital — community suppers, celebrity roasts, silent auctions, talent shows, and even the buzz cut promotion I spoke of last week. And these people are about to be rewarded, as Melville's integrated health care facility will begin construction this spring and is underway.

Now, Mr. Speaker, I cannot believe that the member opposite, the so-called health critic, would take advantage of rural people to score political points, the way he did last Thursday. His party says they are sick of hearing us talk about their negativity, and yet he would try and play on the fears of people in my constituency. Shame on him, Mr. Speaker. Shame on the member for Melfort. The Fyke report will have no bearing on the construction of a hospital in Melville. The Melville project was in the works long before the Fyke report and its capital building project.

I'd invite the member from Melfort for the ribbon cutting next fall, but he might be too busy hunting for white elephants.

Some Hon. Members: Hear, hear!

Prairie Region Cadet Honour Band Plays at Centre of the Arts

Mr. Kwiatkowski: — Thank you, Mr. Speaker. Mr. Speaker, last evening a capacity crowd at the Centre of the Arts was treated to a spectacular show of musical and artistic performances by the Prairie Region Cadet Honour Band.

This band of 12- to 18-year old military cadets presented a salute to Canada's peacekeepers. Twelve cadets from Royal Canadian Air Cadet Squadron 745 Porcupine were in attendance. They were Flight Sgt. Ryan Kwiatkowski, Cpl. Todd Sabean, Cpl. Ashley Harris, Cpl. Jeff Kwiatkowski, LAC (leading air cadet) Krystal Kwiatkowski, LAC Blaine Langdon, LAC Garrett Langdon, LAC Raymond Gibson, AC Preston Langdon, AC (air cadet) Mellissa Messner, AC Cory Baron, and AC Amie Kurylowich.

These cadets were accompanied by Second Lieutenant Carol Larwood, civilian instructor Jay Kwiatkowski, chair of the parent sponsor committee, Debbie Gibson, and many parents, grandparents, and volunteers.

Mr. Speaker, Canada's peacekeeping legacy began in 1956. Over the last 50 years, Canadian Forces personnel have faced difficult and dangerous situations as they continue to take on tasks such as military observers and peace agreement implementers.

I would ask all members of the Assembly, of the legislature, to join with me and Squadron 745 Porcupine in thanking all peacekeeping veterans, current peacekeepers, and future peacekeepers for their commitment and valour.

Some Hon. Members: Hear, hear!

Chaplin Pulse Plant

Mr. Harper: — More good news for Saskatchewan, Mr. Speaker. For years, the small town of Chaplin on the Trans-Canada Highway made a tiny little contribution to our provincial economy through its sodium sulphate plant — originally a Crown-owned asset but sold off by the Devine government.

Now, Mr. Speaker, the people of Chaplin are going to make another contribution in another way, showing once again the entrepreneurial spirit which is doing so much to keep Saskatchewan humming.

Construction began last week on a major specialty crop-processing plant. The plant will be built in the town's existing elevator bought from the Sask. Wheat Pool. It will process and bag field peas, chickpeas, and lentils on a toll-processing basis for pulse marketing companies.

The plant is expected to be in operation by August and will employ 22 people — for a town the size of Chaplin, no small number.

Mr. Speaker, one producer who was interviewed for a TV news story said that the producers he knows have no intention of going anywhere but right here, at home. They have confidence in Saskatchewan and more to the point they have a deep affection for their home and have no desire to belittle it.

There's a lesson in Chaplin for all of us, Mr. Speaker.

Some Hon. Members: Hear, hear!

Weyburn Inland Terminal

Ms. Bakken: — Thank you, Mr. Speaker. Twenty-five years ago, a group of farmers had a vision for the future. They were unhappy with grain handling and transportation on the prairies. They were looking for a way to do it better, fairer, and cheaper.

They wanted a grain company to call their own and so the Weyburn Inland Terminal was born — the first farmer-owned terminal in Canada. The company was built on the philosophy of adding value to the crop, more returns for farmers, and creating jobs in Weyburn and area.

Through the years several firsts have been accomplished at the terminal. They were first to do protein testing, first to clean and dry grain on the prairies, first to ship 100-car grain units, first to

pay farmers freight and dockage incentives, the first to show elevator tariffs on cash tickets, the first to construct and sell condo storage, and the first and only major grain company to assess tariffs on a net weight basis.

Weyburn Inland Terminal is stronger now than ever, out-earning giants like the Wheat Pool and UGG (United Grain Growers Limited) in the year 2000 and paying record dividends to its shareholders.

Today the Weyburn Inland Terminal is a debt-free company, has state-of-the-art assets, and a track record of profitability for its shareholders. Truly a great Saskatchewan success story, where people had a dream, where they were not afraid to invest their own money and to work hard to make that dream a reality.

Congratulations on 25 great years, and many more successes.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Globe and Mail Article on Economic Performance

Mr. Hermanson: — Thank you, Mr. Speaker. My question is for the Premier. On Saturday *The Globe and Mail* released its ranking of the 10 provincial economies. It's an objective report card on economic performance based on seven economic indicators.

And how did our NDP government score on this report card? It came in last — dead last. The NDP mismanagement here in Saskatchewan show that we have the weakest economy in all of Canada.

Mr. Speaker, it is time for the NDP government to take responsibility for its dismal performance, dismal economic performance, instead of blaming everyone else.

Mr. Speaker, to the Premier: why does this NDP government have the very worst economic record in Canada?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Thank you very much, Mr. Speaker. I'd be very pleased to answer that question.

And I want to begin by saying that the article is clearly influenced by the crisis that we have in agriculture in this province. The most recent statistics that we have will show that we've lost 13,800 jobs in agriculture, but those same stats show that we've increased in non-ag jobs almost 2,500 more.

Now, Mr. Speaker, I want to say as well, that this article does give a quick snapshot in time. A year ago it showed Saskatchewan in tenth, six months later it showed us in fourth place, and now again in tenth. So it is a quick snapshot.

What is important, Mr. Speaker, is that businessmen and women, working people in this province, are building a stronger economy, they're building a more diversified economy, and their doing it, Mr. Speaker, in spite of the negative influence of members opposite.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. Well here they go again, blaming somebody else, blaming anybody but themselves.

(14:00)

Mr. Speaker, the NDP government has been in power for 10 years. This is their record, Mr. Speaker. Saskatchewan is the only province losing jobs and it's not the only province with agriculture important in its economy.

But further to that, Mr. Speaker, housing starts are down 18.6 per cent — that's the worst in Canada and that's the NDP record. Retail trade has grown just 0.6 per cent, the worst in Canada — that's the NDP record. This is their government, Mr. Speaker; this is their economic record. And it's a disaster.

Mr. Speaker, what is the NDP doing to turn this around? Just once, can the Premier get through a whole answer or can his minister get through a whole answer without blaming someone else?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Now, Mr. Speaker, I understand the sensitivity of members opposite because they haven't had a positive thing to say in this legislature or in this province since the inception of their new party.

Now, Mr. Speaker, what I want to say is that economists will know that this province has grown GDP (gross domestic product) eight years in a row; they know that we have led this country in growth. We also understand the problems in rural Saskatchewan, Mr. Speaker, they live there.

Members on that side of the House know what's happening in the agricultural community and they know the negative impact that that is having on Saskatchewan's economy. But in spite of that, Mr. Speaker, we're going to continue to grow this economy by decreasing taxes, by continuing to work with the business community, by continuing to grow and diversify this economy.

Now, Mr. Speaker, they might not like the fact that this province is working and it's growing, but I want to say to you, Mr. Speaker, they're in the minority and they're going to stay in the minority.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank you, Mr. Speaker. Well the minister totally ignores the fact that *The Globe and Mail* — this is not the mouth organ of the Saskatchewan Party, I assure you — *The Globe and Mail* has given the NDP a great big F for economic performance. And the comment section of the report card is even worse. And I quote, Mr. Speaker:

Saskatchewan's economy has been hugely disappointing in recent months. It is the only province in which the number of jobs has actually fallen. Housing starts plunged by almost 90 per cent and capital spending is expected to fall.

This is the economic report card the Premier has brought home. And what's his excuse, Mr. Speaker? The kids across the aisle are picking on me? Is that his excuse? Is that the best he can do?

Mr. Speaker, Saskatchewan people are tired of excuses. This is the Premier's government. It's his record; it's his mess. What is he doing to clean it up?

Some Hon. Members: Hear, hear!

Hon. Mr. Lautermilch: — Now, Mr. Speaker, I don't want the Leader of the Opposition to think that we're picking on him. I don't want him to think that. But I want to say, Mr. Speaker, where was he when *The Globe and Mail* on November 6 of the year 2000, just a few short months ago, headlined "Saskatchewan emerges as star of the '90s," measuring our GDP growth, every other jurisdiction in this country, Mr. Speaker, we were leading.

Where was he, Mr. Speaker, when *The Leader-Post* . . . or *The StarPhoenix* reports "Youth gaining in job markets," saying things are good for the youth in this province, for young people in terms of the ability to find employment, the fact that we're employing more . . .

The Speaker: — Order, order, order. Order.

Some Hon. Members: Hear, hear!

The Speaker: — Order. I would just like members to allow the statements and the questions and the answers to be heard. The minister may continue for another 10 seconds.

Hon. Mr. Lautermilch: — Mr. Speaker, we're only trying to point out that this economy in the last 10 years has been growing. Now you can pick out a one-day statistic and you can put that up in the air, as I have done with this article that says Saskatchewan leads the country. Mr. Speaker, what's important is jobs and business.

Some Hon. Members: Hear, hear!

SaskEnergy Rates

Mr. Wall: — Thank you, thank you, Mr. Speaker. Mr. Speaker, my question is for the minister responsible for SaskEnergy.

Mr. Speaker, on Saturday morning every SaskEnergy customer in the province woke up to a stinky gas leak, Mr. Speaker. Word had leaked out that SaskEnergy is preparing a 40 to 50 per cent rate hike in the province of Saskatchewan, something we were talking about about two weeks ago. That's about \$400 per year per residential customer and potentially thousands of dollars per year for municipalities, for hospitals, and for businesses.

And it's on top of a rate hike we've already gone through over the winter months from SaskEnergy of about 23 per cent.

And what has been the NDP response, Mr. Speaker? The \$25 rebate that they announced two weeks ago.

Mr. Speaker, to the minister: does the NDP really think a \$25 rebate is enough to offset SaskEnergy bills that are going up hundreds and in some cases thousands of dollars?

Some Hon. Members: Hear, hear!

Hon. Mr. Sonntag: — Thank you, Mr. Speaker. I'm certainly pleased to answer that question. Mr. Speaker, for some length of time I've answered questions like that in the House. Mr. Speaker, SaskEnergy currently sells at 4.52 per unit — which is a gigajoule — 4.52 they sell it at. We buy it at, today, checking today's markets, \$7.50, Mr. Speaker.

Unless the markets fall through the floor, Mr. Speaker, unless they fall through the floor, it is logical that in the near future SaskEnergy will probably have to come before ourselves and the Rate Review Board. But they have not come before us with a proposal and recommendation for a rate increase yet, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, everyone understands that the price of natural gas has gone up around the world and SaskEnergy gains no additional money as a result of the rate hikes.

However, however the government does gain additional revenue when the price of natural gas is skyrocketing — significant new revenue. In fact, last year they got about \$500 million more than they budgeted in windfall revenues from the oil and gas sector. That money is now sitting in the government's bank account but they say they won't share it with any of SaskEnergy's customers.

Mr. Speaker, SaskEnergy is raising rates to recover its increased costs. Why won't the government help Saskatchewan families cover their household costs, Mr. Speaker?

Hon. Mr. Sonntag: — Well, Mr. Speaker, in case the member has forgotten, and the public of Saskatchewan may not remember, in the 1980s when that member was a ministerial assistant in the Devine government, Mr. Speaker, who sold off the gas reserves, Mr. Speaker? Who sold off the gas reserves, Mr. Speaker? If we would have those reserves, Mr. Speaker, today, we would have a few more options than we do today, Mr. Speaker — a few more options.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Order, order. The member will continue.

Hon. Mr. Sonntag: — Thank you, Mr. Speaker. That party opposite, Mr. Speaker, pleaded and begged for the government to move to a deregulated, market-driven economy, Mr. Speaker. Well news for them, Mr. Speaker — we're here. We're here, Mr. Speaker.

Mr. Speaker, they don't seem to realize that now that we're in a deregulated environment, now that it's a market-driven economy largely because of the deregulation, Mr. Speaker, somehow they don't want it anymore, Mr. Speaker. You can't have it both ways.

Some Hon. Members: Hear, hear!

Mr. Wall: — It's true, Mr. Speaker. I worked for a government in the '80s that was clearly becoming tired, old, and out of touch with Saskatchewan people. And you don't have to look far to realize that history's repeating itself today right across the way — right over there.

Mr. Speaker, this government has no problem protecting the Crowns from high commodity prices. Those increases are simply passed along to residents and businesses. So far the government has ruled out even considering protecting Saskatchewan residents from this same problem, high prices, more than the \$25 they've committed to. Even the minister's own officials are at least trying to figure out a way to ease the blow of a 50 per cent rate hike.

To the minister of SaskEnergy: will he at least commit to raising the possibility of an improved rebate plan for Saskatchewan people with his cabinet colleagues at the next earliest opportunity?

Hon. Mr. Sonntag: — Mr. Speaker, while I have just described the scenario, that is that we are selling heating fuel, SaskEnergy is selling, at four fifty-two and buying at seven fifty, I remind the member again that there has been no application brought to us with respect to a recommendation about an increase. So the member is speculating, Mr. Speaker.

Also, Mr. Speaker, I want to again remind the public of Saskatchewan, that member, Mr. Speaker, would have us provide rebates, would have us provide large rebates. First of all, the province doesn't have the resources to do it, Mr. Speaker. We've spent money on roads; we've spent money on health care; we've spent money on education, Mr. Speaker.

Also, Mr. Speaker, and I look at what our Crown has done, SaskEnergy, they've provided good, reasonable rates that have consistently — consistently — been 15 to 20 per cent below almost anywhere else in Canada, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Wall: — You know, Mr. Speaker, this minister is turning the phrase minister responsible into an oxymoron in this Assembly, Mr. Speaker — shirking responsibility that he has to the taxpayers of the province and the customers of SaskEnergy.

Mr. Speaker, the government seems to believe that the windfall revenue that they've generated from the oil and gas sector, that they're raking in even today, belongs to the Government of Saskatchewan. It's their personal stash.

Mr. Speaker, we believe it is the people's money. It belongs to the people of the province. We're not asking the minister to announce additional rebates today. We're simply asking him to consider something greater than the \$25 pizza rebate he promised two weeks ago. Will he do that today, Mr. Speaker?

Hon. Mr. Cline: — Well, you know, Mr. Speaker, I'm reading from the Humboldt *Journal* of April 12 and there's an article about . . . the title is "Julé (the member from Humboldt) defends her vote against the budget." And in that article she says what

they often say over there. They say that the spending for highways and education and tax cutting that we're doing, she says, I don't believe the budget is sustainable.

So one day they're saying we're spending too much money on the highways and education and tax cuts. The next day they're saying we should spend more, Mr. Speaker. And the problem with that is it's the same old Stockwell Day inspired voodoo economics that got this province into trouble in the 1980s, Mr. Speaker. That's what it is. The reality, Mr. Speaker, is they want to get up and tell the people that this government is sitting on a bunch of money that could be given out. They said the same thing last year, and if we'd taken their advice last year we'd be in deficit now, Mr. Speaker.

We must not go back into deficit and debt, Mr. Speaker.

Some Hon. Members: Hear, hear!

Impact of Reassessment

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Municipal Affairs. In the 2001 provincial budget, the NDP decided to spend \$50 million making big government even bigger instead of increasing revenue-sharing grants to municipalities.

Mr. Speaker, as a result municipalities across Saskatchewan will be forced to increase property taxes this year and add . . . except of course for government properties. That's because property owned by the government departments and Crown corporations will pay grants in lieu of property taxes to municipalities and school divisions based on last year's assessment.

Mr. Speaker, why is the NDP forcing everybody else in Saskatchewan to pay taxes based on the new 2001 assessment while Crown corporations and government department continue to use the old assessment?

Some Hon. Members: Hear, hear!

Hon. Mr. Osika: — Thank you, Mr. Speaker. I'm pleased to hopefully be able to clarify for the opposition the fact that government properties do not pay taxes. They pay grants in lieu of taxes.

Four years ago and during the '80s, municipalities did not receive any money for government property. The provincial government, like the federal government and other provinces, is exempt from paying taxes to municipal government. However, in 1988-89 the province made a policy that over a four-year period they would in fact pay grants to urban municipalities where Saskatchewan Property Management Corporation owned and managed properties.

That commitment, four-year commitment's been met. It's gone beyond what the expectations would have been. It's at 13.1 million instead of just over 12 million. What do they want? Do they not want this government to help communities? What do they want? Not give those communities those grants?

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, it's the same old story from this tired NDP/Liberal government. It's one set of rules for the NDP and another set of rules for the rest of us.

(14:15)

The Speaker: — Order, order, order. Order. The Assembly will allow the member to put the question.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, it's one set of rules for the NDP and it's another set of rules for the rest of us.

Mr. Speaker, Linda Walker owns a hotel in Val Marie. She says her property taxes are going to almost double this year thanks to reassessment. So she's going to have to lay off staff to pay the tax bill. Mel Tweten is the owner of the Leader hotel. He says his new tax bill is going to mean layoffs at his business too.

Mr. Speaker, these two small-business owners want the minister to explain why the NDP government has the option of using last year's assessments and last year's tax rates, while everyone else is forced to use the new 2001 assessments and the new tax rates.

Some Hon. Members: Hear, hear!

Hon. Mr. Osika: — Well, Mr. Speaker, I guess . . . I'm not sure how I can make it clear enough. We do not pay taxes, they are grants — g-r-a-n-t-s. Up until 1998 those grants were not in place for government-owned properties. There was an agreement for four years to achieve what we have to this year — over \$13 million in grants. No taxes, Mr. Speaker.

I don't know what the . . . we're not dodging reassessment or shortchanging local governments. In fact this year, as I said, the new approach has given those communities over \$13 million in grants. And I'll be happy to name some of the communities and the amounts they received, including this city and Saskatoon, and all the communities that received grants — grants, Mr. Speaker — in lieu of taxes.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Mr. Speaker, it's the minister, Mr. Speaker, that doesn't get it. Taxes are increasing all over this province; grants in lieu are staying the same. That's what we're trying to get through to him.

Mr. Speaker, the mayor of Swift Current says his city has been hit hard by the NDP's double standard. Mayor Paul Elder says the NDP's double standard is going to force many small businesses in Swift Current to close.

According to the mayor some small businesses in Swift Current are facing property tax increases of 80,000 to \$100,000 this year, thanks to the new reassessment.

Mr. Speaker, the mayor of Swift Current wants the same option as the NDP government. He wants to be able to use the 2000 property tax assessment to calculate the 2001 property taxes.

So, Mr. Speaker, what's the minister's response? Will he allow

the city of Swift Current and all other municipalities the same option? Will they be able to use last year's assessment to calculate this year's taxes?

Some Hon. Members: Hear, hear!

Hon. Mr. Osika: — I'm not sure how much slower I have to speak so they understand grants in lieu of taxes have nothing to do with taxes. And they have increased each year. They've not gone down.

Mr. Speaker, for the first year of the program, \$3.125 million and increments of 3.125 for each of the following two years. There was recognized the need to enhance those estimates on those properties and those grants were increased to an increment of \$3.725 million in 2001 and 2002 fiscal year.

I don't understand. They're receiving much more than the agreement had initially called for. How can they say that we've been reducing? They've been going up, even beyond the expectations of what these communities expected — Estevan, \$69,000; Moose Jaw, 685; North Battleford, 178,000; Regina, 7.488 million; Saskatoon, 1.261 million.

What's gone down?

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, the NDP's double standard is not impressing the Saskatoon Public School Board either. In fact, the Chair of the Saskatoon Public School Board says the 2001 property reassessment will also drive up education portion of property taxes this year.

Mr. Speaker, the NDP is driving up municipal taxes and education taxes across Saskatchewan partly due to reassessment. And yet, the NDP is saying that Crown corporations and government departments can use last year's rates because it would be too difficult to manage the change in cost if they used the new assessment.

Mr. Speaker, why the double standard? If the government can't manage to increase in cost due to NDP's 2001 reassessment, why is the minister forcing municipalities and school divisions to also use the new 2001 assessment?

Hon. Mr. Osika: — Mr. Speaker, four years ago and through the '80s, the municipal governments received no grants in lieu of. They didn't receive any of that.

There was an agreement entered into with SUMA (Saskatchewan Urban Municipalities Association) that there should be some recognition of government-owned properties and that's when there was a four-year agreement entered into, Mr. Speaker, to pay grants, to restructure the grant programs for those municipalities where governments owned properties.

We've lived up to that four-year commitment, Mr. Speaker. This year, it's been exceeded; the expectations are beyond what was anticipated four years ago, from just over 12 million to over 13.1 million.

Now I don't quite understand how the reductions . . . why the

member is saying there's been a reduction and that we are shortchanging municipalities.

Some Hon. Members: Hear, hear!

Declining School Enrolment

Ms. Draude: — Mr. Speaker, my question is for the Minister of Education. Mr. Speaker, since 1990 Saskatchewan school enrolment has dropped by 10,000 students. But the future projections are even worse. The Department of Education itself predicts enrolment will decline by another 30,000 students by the year 2010. This is devastating news, Mr. Speaker.

The media report says the Minister of Education is considering the impact of the declining enrolment of schools in this province. But is he also considering the impact on the community as a whole?

When a school is closed there is a major impact on the people and on the businesses and on the community as a whole. What is really interesting, Mr. Speaker, is what the Minister of Education attributes these school closures to. He says the reason is out-migration. Imagine a member of the NDP government admitting that out-migration is a problem.

He also says that it's due to smaller families. Well smaller families are a fact right across Canada; out-migration's only a fact in Saskatchewan.

Mr. Speaker, what is the Minister of Education and his NDP government doing to deal with the out-migration problem and its effect on the enrolment in schools in this province?

Some Hon. Members: Hear, hear!

Hon. Mr. Melenchuk: — Thank you, Mr. Speaker. Certainly I have relayed the details with regard to the decline in enrolment during the 1990s, of approximately 10,000 students in the public system.

We also know that during that time there was an increase in independent schools. There was an increase in band schools. And if we look at the numbers compared to 1989 to the year 2000, the number of students enrolled in the K to 12 system was roughly 205,000. So there really was no major decline.

But the problem for the public system is we are seeing a decline. This is the system administered by the Department of Education and we are looking at projections for the next decade for a decline in the public system, of roughly 23,000 not 30,000. We're also expecting an increase in the number of band schools enrolment.

And that, Mr. Speaker, is where our skilled labour . . . we need to have training within our K to 12 system. That group over there will not . . .

Some Hon. Members: Hear, hear!

INTRODUCTION OF BILLS

Bill No. 210 – The Children's Law Amendment Act, 2001/

Loi de 2001 modifiant la Loi de 1997 sur le droit de l'enfance

Mr. Toth: — Mr. Speaker, I move Bill 210, The Children's Law Amendment Act, 2001 be now read the first time.

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

ORDERS OF THE DAY

WRITTEN QUESTIONS

Mr. Yates: — Thank you, Mr. Speaker. I am proud to stand on behalf of the government and table the answers to questions no. 67, 68, and 69.

The Speaker: — The responses to questions 67, 68, and 69 are hereby tabled.

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

Bill No. 8

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Lorjé that **Bill No. 8 — The Provincial Emblems and Honours Amendment Act, 2001** be now read a second time.

Ms. Bakken: — Thank you, Mr. Speaker. Mr. Speaker, this Bill, Bill No. 8, does appear to be fairly straightforward and non-consequential piece of legislation. And my colleague from Cannington gave a very interesting and engrossing response to this Bill just the other day. And I know that the members opposite enjoyed it as much as this side of the legislature.

While this Bill really doesn't go far in affecting the daily lives of citizens of this province, it will probably receive more attention in the media than 80 per cent of the Bills we pass in this session even though it does not have far-ranging impact on the life in this province.

That being said, however, we do recognize the necessity for our province to have strong symbols, symbols such as our flag or our coat of arms. Now the choices made by the government in terms of the official provincial sport or the official animal may be subject for debate between the people of this province.

I know the people of my constituency will put up a pretty strong argument that hockey should be the official sport, especially given the overpowering dominance of the Weyburn Red Wings have shown over the last few years in the SJHL (Saskatchewan Junior Hockey League). Their most recent accomplishment when they defeated Nipawin Hawks just last week for the provincial championship.

However, it's also true that many people in this province enjoy curling as well. And I don't really have a major problem in declaring it the provincial sport, since Weyburn is also known

as one of the strongest curling communities in Saskatchewan. The curling hall of fame is there, the museum, which is the only kind in Canada, I believe.

The people in my constituency may also argue about the white-tailed deer as the official animal, especially given the havoc wrecked in Weyburn over the winter months just passed. A lot of wayward deer found themselves smack dab in the middle of the city and in a few cases went through the windows of local businesses. But at any rate, I suppose that there's no argument that the white-tailed deer is certainly now representative of Saskatchewan.

Now as far as official grass, frankly I haven't heard much discussion about this in and around my constituency. However, I do recognize this recommendation was made by the Prairie Conservation Action Plan Committee and I do respect their recommendation that this grass be designated the official grass of Saskatchewan. Why we need an official grass I'm not sure, but I'm willing to bow to their judgment.

I appreciate the minister's comments about the ranching industry being critical in environmental preservation, especially for the grassland. There are many ranches in my constituency, Mr. Speaker, and I know this to be true. Too often extreme environmentalists like to paint anyone involved in agriculture as enemies of our natural habitat. Anyone who actually knows people involved in ranching or farming knows the opposite is true.

I want to take this opportunity to mention one such rancher in my constituency. Murray and Selena McGillivray operate a 400-head cattle operation near Radville on a 5,400 acre ranch. Murray and Selena were recently recognized by EcoAction 2000, Agriculture Canada, and the Saskatchewan Wetland Conservation Corporation for their stewardship of their land.

Ranchers like the McGillivrays care deeply about the land and the plants and the animals it sustains. It is my hope that more people in this province and country recognize this fact.

Mr. Speaker, at the end of the day while declaring these three symbols will do nothing to address the major issues facing the province, such as the lack of job creation or out-migration or decreasing health care services — the topics we should be discussing here — I see little harm in declaring these symbols and I have heard much . . . and I have not heard much in the way of objection.

Another aspect of the Bill allows non-residents of Saskatchewan to be made honorary members of the Saskatchewan Order of Merit. The official opposition has no objection to this clause of the Bill.

So always wanting to be a constructive opposition, I see no reason to hold this Bill up unduly. We will have some important grass- and deer-related questions for the minister when we get to committee, but at this point we're willing to let this Bill pass through in the spirit of co-operation.

(14:30)

I hope that members opposite show the same spirit of

co-operation by bringing forward some of the private members' Bills the Saskatchewan Party has put in the order paper on behalf of the citizens of this province.

Thank you.

Some Hon. Members: Hear, hear!

Mr. Hillson: — Yes. Thank you, Mr. Speaker. I think it would be remiss to allow this debate to go by without a mention to some of the also-rans, especially our humble friend the prairie gopher or, as I was corrected on the John Gormley show, the Richardson's ground squirrel.

Now, Mr. Speaker, there was of course a citizen's poll conducted and, as with the NDP leadership race, the fan fave was different than the eventual winner. The fan fave for Saskatchewan animal was the humble gopher. And I must admit, I kind of favoured the gopher myself because I knew it was our friend the gopher that got dear old mom through the depression. She tells me that, when they had no cash, she was sending gopher tails to the provincial government at the rate of 2 cents a tail.

I was then told that, as then provincial secretary, that by reminding the people of this there was a danger that my desk would be covered with a bunch of smelly gopher tails and I sort of rethought that one.

It also occurs to me that the gopher, while cute, is not super bright and, in that sense, may not be an appropriate symbol for our province — lovable, but no rocket scientist.

As we know, Mr. Speaker, the cute little gopher is always very curious. He is forever scrambling up on to the railway track or into the middle of the highway to see if by chance something is coming. And like as not, whoosh, splat, something is coming. Fortunately, Mr. Speaker, the propagation rate of gophers is such that notwithstanding their propensity for standing in the middle of the highway, there still seems to be no lack of them.

I do not know where in our archives those gopher tails that got my mother through the depression are now being stored, but this is certainly part of the folklore of our province.

Well, Mr. Speaker, we are close to the centennial of our province. All nations, all states, all provinces, need symbols to rally around, to raise our spirits, to give us pride. And as we approach the province's centennial, it is clear that the job creation staff of this government will not create that pride we desperately need. Hopefully the declaration of these symbols will, and hopefully the majesty of the white-tailed deer and that all-important needle-and-thread grass will prove to be a rallying point, a rallying point for the people of Saskatchewan. And I sincerely hope that it will.

But as we support and vote for this Bill, Mr. Speaker, let's not forget the fan fave, the humble little gopher, the little guy who despite drought and cold and dark holes and railways tracks and highways that continually have things coming down them that are bigger than the poor little gopher is, they've still survived, they're still with us, they're still cute.

I support the Bill, Mr. Speaker.

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

Hon. Ms. Atkinson: — Rising as Deputy Government House Leader, Mr. Speaker, and I rise on a question of privilege. Earlier today in question period on two occasions, Mr. Speaker, it is the opinion of this government that the members did not provide accurate information to this legislature.

Let me give you the two points. The member from Saltcoats, Mr. Speaker, when he was talking about grants in lieu of taxes, indicated clearly in the House that in fact grants in lieu of taxes had been cut in the fiscal year 2001-2002. I want to report to the House that grants in lieu of taxes went up \$3.725 million. Secondly . . .

The Speaker: — Order, order. Order. Order. This is not a question of privilege; it's a matter of debate. I'll proceed with the agenda.

Hon. Ms. Atkinson: — I rise on a second question of privilege, Mr. Speaker. In question period earlier today, the member from Kelvington-Wadena indicated to the legislature, that the Department of Education was projecting an enrolment drop of 30,000; in fact it's 23,000. My point is, did . . .

The Speaker: — Order. Order. Order. Order. Order. Order. On a matter of privilege, the members are to address it by way of a motion rather than by way of debate. And I would just ask members to take a look at the way that it's properly done. The order of the business will continue.

SECOND READINGS

Bill No. 1 — The Partnership Amendment Act, 2001

Hon. Mr. Axworthy: — Mr. Speaker, I rise today to move second reading of The Partnership Amendment Act, 2001.

In Saskatchewan today, Mr. Speaker, almost all enterprises can be conducted through ordinary business corporations. Owners and managers of a corporation are not subject to personal liability for liabilities of the corporations.

Mr. Speaker, this immunity of owners and managers from the general run of the company's liabilities was often referred to as the liability shield. Ordinarily, Mr. Speaker, the corporate liability shield will protect owners and managers from personal liability for ordinary debts of the corporation, as well as for liabilities incurred by the corporation for defective products or services.

The members of most professions including dentists, optometrists, chiropractors, lawyers, and accountants currently practice in partnerships. The Partnership Act provides, as most of us will know, Mr. Speaker, for unlimited liability of partners.

This Act amends The Partnership Act to provide for limited liability partnerships, in which partners are not personally liable for obligations of the firm. However it's important to point out that liability will continue to apply where a person suffered

injury because of the partner's own negligence or wrongful acts or omissions.

This would include negligence, Mr. Speaker, negligence in supervising or failing to supervise another member or employee of the firm, or where the partner knew of the wrongful acts or omissions, and failed to take reasonable steps to prevent them.

Thus, Mr. Speaker, the limited liability partnership structure we proposed here only shields the innocent members of limited liability partnerships from personal liability for professional malpractice claims.

The members of a limited liability partnership will not be subject to personal liability for the negligence and wrongdoing of other partners, except to the extent of their share in the partnership's assets. The partnership's assets and its insurance coverage remain available to satisfy any claims.

The legislation requires registration of limited liability partnerships, Mr. Speaker. Currently professional partnerships do not have to register under this legislation, and as a result of these amendments professional partners of the partnerships receive a benefit because they will be able to limit their liability. In return, Mr. Speaker, they will have to register the partnership to give the consumers notice and information respecting the limited liability status.

The proposed legislation is based on a model Act drafted by the Uniform Law Conference of Canada respecting limited liability partnerships so as to provide consistency in this area in all provinces.

Mr. Speaker, this legislation provides Saskatchewan professional partnerships with a benefit that already exists for professional partners in Alberta and Ontario. It ensures that the personal assets of the Saskatchewan partner cannot be used to satisfy a judgment that could be made against a partner in another province for that partner's negligence or malpractice.

Mr. Speaker, I'm pleased to move second reading of an Act to Amend The Partnership Act.

Some Hon. Members: Hear, hear!

Mr. McMorris: — Thank you, Mr. Speaker. Mr. Speaker, I wanted to respond to the Bill just put forward by the Minister of Justice on The Partnership Amendment Act, 2001.

When we look at liability and liability claims and the costs of liability to . . . and how it can destroy a corporation, a company, a partnership, whichever, if it moves to keep professionals in this province and makes their job easier in the future, we'd be all for that.

He mentioned whether it was dentists or lawyers, and how they can be liable regarding a partner's action, which would be a great concern. And you know, if other provinces have protected against this sort of things, we would be all for it.

Although we do want to talk to a number of people that this Bill would be impacting on, and have a, you know, listen to what they had to say on that, because when you deal with liability

and the cost of liability, it's a huge burden for anyone.

And so we would like to adjourn debate on this and consult with the groups that we need to.

Some Hon. Members: Hear, hear!

Debate adjourned.

Bill No. 17 — The Professional Corporations Act

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. I rise today to move second reading of The Professional Corporations Act.

You'll recall, Mr. Speaker, that in the 2000 legislative session, this government introduced an amendment to The Medical Profession Act to allow physicians to incorporate their professional practices, and I'm pleased to rise today to talk about a Bill that will provide the same opportunity to all Saskatchewan professionals.

Mr. Speaker, this Bill will allow professionals who choose to incorporate to run their businesses in a way that is similar to other small businesses and professionals in other provinces. And I'm pleased to advise, Mr. Speaker, that this Bill will be of particular assistance in attracting and retaining professionals, particularly in smaller centres and rural communities.

In fact, Mr. Speaker, in a letter from the College of Dental Surgeons of Saskatchewan, the college points out, Mr. Speaker, that this will be an important step towards making Saskatchewan's economy fundamentally more competitive in both Western Canada and increasingly in the global economy. And points out, Mr. Speaker, that this new policy amounts to enlighten preventative action that will help ensure the province has an adequate supply of dentists in the future. And I may say, Mr. Speaker, that that goes for other professionals as well.

And I think the members opposite will find when they consult with professionals that this is, as with the last Bill, Mr. Speaker, a very popular and constructive move.

As well, Mr. Speaker, the introduction of this Bill is one more important step in this government's commitment to business competitiveness and indeed, Mr. Speaker, to the insurance of rural revitalization because it's particularly important in smaller communities and in rural areas, Mr. Speaker.

The Bill will further level the playing field by extending the advantages of incorporation permitted in other Canadian jurisdictions to professionals practicing here in Saskatchewan. It's important to note that allowing incorporation doesn't in any way impact on the professional's responsibility and obligations to his or her clients.

Whether or not they choose to run their business through a corporation, today, Mr. Speaker, the professionals will be liable to their clients or patients in the same way as before. They'll also be subject to discipline by their governing associations in the same way as before.

Any professional association that is governed by an Act may apply to the Minister of Justice to be designated. When an

association is designated, Mr. Speaker, it'll administer the application of the Act to its members.

The association will pass bylaws that will govern the qualifications and procedures for registration of professional corporations.

(14:45)

Mr. Speaker, I am pleased to continue this government's commitment to improving the competitiveness of Saskatchewan small business and improving the vitality of rural Saskatchewan and smaller centres, Mr. Speaker, by moving second reading of An Act respecting Professional Corporations.

Some Hon. Members: Hear, hear!

Mr. McMorris: — Thank you, Mr. Speaker. I'd like to also address Bill No. 17, The Professional Corporations Act, and the impact it'll have in the province.

We on this side of the House have been saying for a long time, and through the campaign, that what we need to do in this province is to help grow this province and to build this province and not see professionals, such as whether it's lawyers or dentists or doctors leaving the province, which we have seen over and over and over again.

And through our much conversation with a number of different professionals, they've said . . . they've identified this as one of the problems that we've had in our province. It's one of the issues that we've pressed for a very long time and that we need to, in order to retain and also attract professionals which we need in our province, we need to give them some ability to avoid, I guess . . . not avoid but pay an appropriate amount of tax. And they feel, a lot of them feel by incorporating and having the ability to incorporate, it'll make the province much more attractive for them to stay.

So although we've already talked to a number of the professionals — we've talked to doctors and lawyers and such — I think that was off of a song, I remember that line. But we've talked to a number of them, but we haven't been able to have the legislation in front of us when we have discussed it with those many professionals. So we're going to look at dealing with a number of the professionals.

And I'd like to let it go, but you know we want to make sure that all the bases are covered because that is our job. And so once we get the legislation and are able to distribute it to the interest groups that this will be affecting and hear their response back, then we'll maybe let it pursue further down in the legislative chain.

And right now I'd like to adjourn debate on this Bill.

Debate adjourned.

COMMITTEE OF FINANCE

General Revenue Fund

Social Services

Vote 36

Subvote (SS01)

The Chair: — I would ask that the minister please introduce to the committee, officials with him here today.

Hon. Mr. Van Mulligen: — Mr. Chair, seated beside me is Bonnie Durnford, the deputy minister of Social Services. Seated behind Ms. Durnford is Shelley Hoover, the acting assistant deputy minister. Seated behind me is Bob Wihlidal, the acting assistant deputy minister. And seated behind Ms. Hoover is Darcy Smycniuk, who's the acting executive director of financial management.

And behind the bar are Marilyn Hedlund, the associate executive director, income support; Richard Hazel, the executive director of family and youth; Deborah Bryck, the director of child day care; Larry Moffat, the executive director of community living — no, he's not with us yet — and Debbie Grant of income security.

Mr. Toth: — Thank you, Mr. Chair, and welcome to the minister and his officials to our discussion today regarding the Department of Social Services.

Mr. Chair, I believe as we look at this department and, Mr. Minister, over the past number of years we've seen an increase in the number of cases, and then I believe over the last few years there's been somewhat of a decrease in the number of cases that in fact in a news release back by Executive Council, December, 2000, there's the discussion about the number of families on assistance in Saskatchewan dropping by some 17 per cent, from . . . a drop of some 6,700 individuals.

But, Mr. Chair, one of the issues . . . one of the concerns we have here is while we see a decline, we continue to see the need for assistance by non-profit agencies by organizations such as the Food bank, Souls Harbor. For example, Mr. Chair, we toured the Food bank, and Mr. Bloos took us for a tour of the Food bank, and talked about the work that the Food bank is doing not only here in the city of Regina but throughout the province of Saskatchewan, and the number of people that actually come and receive the services . . . and seek the services of the Food bank.

And, Mr. Chair, when I see numbers that would indicate we're supposed to be seeing a reduction which would mean fewer people on assistance, and yet we hear of organizations . . . we talk to the leaders of the Food bank program and they keep telling us that there are more and more people showing up at their door. And one has to ask why, Mr. Chair. For example, Souls Harbor is a good example. Souls Harbor feeds up to 250 . . . almost 300 people a day, Mr. Chair.

And, Mr. Minister, while we talk about reductions in numbers of people on social assistance — and this is certainly a laudable goal, I believe any government would desire to have a reduction of the people who are totally dependent on government — but the question has to arise: if indeed people are not being served by social assistance, or they're leaving the system because possibly through job opportunities, or are they leaving the system because they're just leaving the province of Saskatchewan, one has to ask themselves if indeed people are finding opportunities to provide for themselves. And in a more

meaningful manner, why do we continue to have the need for agencies like the Food bank, like Souls Harbor, like other independent organizations throughout the province.

Why are people continuing to look to others for assistance, Mr. Minister? Mr. Minister, is it because social services is just not meeting the needs of individuals out there? Certainly as we address the issues around social services, there's a number of issues that have been brought to my attention most recently, that . . . where people are really questioning the types of services and whether or not they are actually being treated fairly by your department.

And, Mr. Minister, I think it's important for us to recognize the fact that I believe more people would be better and more well served if they had the opportunity to really achieve for themselves and have full-time employment opportunities.

But there are circumstances where people, through sickness, possibly through disabilities or other means, just the inability to really find appropriate work and as a result, with the families they have, that they're unfortunately forced to come to your department and seek assistance.

And at times they feel, at least the calls that come into my office, no doubt I believe even your office has had some of these calls, Mr. Minister . . . And while we will not raise individual claims specifically by individual, we're certainly going to address some of the concerns that have been raised in regards to the department and how the department meets the needs or provides for the people of this province, people who are really in need at different times in their lives.

So, Mr. Minister, let me begin by, first of all asking you, if indeed we have seen the declines that you are indicating we have, why do we have so many people still lining up to use the services of agencies like the Food bank and Souls Harbour?

And as well, Mr. Minister, maybe we could expand that a little more and maybe I could ask you to give us a bit of an overview of where you see the Department of Social Services going in the not too distant future.

Hon. Mr. Van Mulligen: — Thank you, Mr. Chair. I thank the member for the question. I can only speculate as to what is taking place with respect to food banks because food banks are independent community-based agencies. I can tell you that . . . I can tell the member that in fact caseloads, social assistance caseloads, have gone down and have gone down as most recently as last March compared to the same period for the previous years.

And this has been going on now for more than six years, which is contrary to the understanding that the Leader of the Opposition portrayed during the last provincial election. And I believe that some of your members were communicating in this Assembly as late as last year that there was an increase taking place in social assistance. But as you now pointed out, in fact there's a decline in the number of people on social assistance. That's fact; the decline is about 17 per cent in the past six years.

We have also seen a decrease in the incidence of child poverty in Saskatchewan. That's not our measure; that's a measure by, I

believe, Statistics Canada and as reported by a group called campaign 2000 who monitors the activities of various provincial governments in their efforts to reduce poverty. And we saw again last year in their most recent reporting period that there was a decline in poverty, and which was two years in a row that we've seen a decline in poverty in Saskatchewan. And that was a better record than we saw in many other jurisdictions.

(15:00)

With respect to food banks, the only real definitive work that we're aware of that tries to draw some parallels or study the relationship between people on social assistance and food banks was done by the social policy research unit of the University of Regina. They published a study in 1991 entitled *Social Services' Clients and Their Food Bank Use in Regina, An Exploration*. And they state that with respect to fluctuations with SAP caseloads, the Social Assistance Plan caseloads, they say on an overall basis there does not appear to be a meaningful correlation between changes in food bank use and changes in social assistance caseloads.

They did point out though that the changes in the number of food bank visits appeared to precede by about two months similar changes in the employable caseloads in social assistance, that is to say people who come to us who are in fact employable but need short-term assistance. So it suggests that people who lose their jobs may be visiting the food banks to help tide them over in the belief that they'll get a job shortly, and after a few months decide that they will apply for social assistance.

But on an overall level there doesn't appear to any real correlation between food bank usage on the one hand and the number of people on social assistance on the other hand.

It may also be that some of the usage in food banks — I know the food bank in Regina is an example — does far more than simply provide food for individuals. The food bank is also involved in life skills training and other training type programs where they try to help people with cooking or budgeting, and you'll know that from your visit there. And it might be that that increase in numbers is somehow reflected in increased usage at the food bank. I'm not really clear on that.

Again I can't speak definitively for the work of the food bank, but again based on the study done by the University of Regina, there does not appear to be a correlation in fluctuations in social assistance caseloads and food bank usage.

Mr. Toth: — Mr. Chair, Mr. Minister, that may be, may be true. I remember a number of years ago when the food banks began to appear and comments by the then opposition about the fact that when the government changed and a new role and direction was given that the food banks would disappear and yet 10 years later we still have food banks in the province of Saskatchewan.

And the unfortunate circumstances . . . and you're right, my colleagues and I when we toured the food bank . . . To be very honest with you, anyone who certainly seeks the services of the food bank, while they do a commendable job in the work they

are doing, a lot of the parcels that they're giving out certainly may be the types of things that a lot of people wouldn't even take the time to shop for.

And they certainly do a commendable job with what they receive, and the people of Saskatchewan have shown time and time again that they're more than willing to give of themselves to provide for those less fortunate as well. So in that regard we compliment those involved in the food bank program or Souls Harbour for reaching out to needs of others.

And, Mr. Minister, you might be quite true in the fact that some of the social problems people face may be some of the reasons that the food banks are utilized. We find it, and we continue to run into statistics, and some of your colleagues will be aware of the special committee and the number of concerns that have been raised with our committee in trying to address the problem of child prostitution.

And in listening to many of the witnesses, many of them brought out the point of poverty. Poverty was one of the biggest things facing them and the problems facing them. And that's . . . in some cases they related directly to why, as a young individual, they may be on the streets, that they were just looking for something good to wear. Or even one of the testimonies was, I was just getting some money to go buy some . . . or so that I'd be able to buy some food and provide for my siblings.

And what it's saying, Mr. Minister, is while the statistics may indicate there are fewer people on social assistance, it just appears that the numbers really haven't decreased that much, that there are still a number of people who are living in poverty.

And I would like to know, Mr. Minister, if you can explain why, while your numbers of people on assistance are going down, why do we see it appear or it . . . we've run into individuals who continue to raise the fact that the problems they're facing is poverty in the province of Saskatchewan.

Now if your department, and if the department is reaching out to help those who do not maybe have an adequate job at the time, one would have to ask if the department is meeting the needs of those without employment, why are we still running into so many people who just feel that they just don't have enough and are living actually underneath what we would call the poverty line and having to seek the services of these non-profit agencies?

Hon. Mr. Van Mulligen: — Mr. Chair, as I've indicated publicly, although we've made some progress in reducing poverty in Saskatchewan, and more so than some other provinces, we have not eliminated poverty and we have a lot more to do.

Mr. Toth: — Mr. Chair, Mr. Minister, that may work in here, but there's a lot of people in the streets in Regina and Saskatoon who may not really appreciate the response, and possibly would suggest that you're really not meeting that need out there.

But be that as it may, I would like, Mr. Minister, if you can give us an idea of your overall view and the future direction of your department and how you intend to meet the needs of those who

unfortunately require the services of Social Services, as well as the building opportunities for people who are qualified or quite capable, with some training or whatever, to provide for themselves and actually find means of providing for themselves outside of seeking government assistance.

Hon. Mr. Van Mulligen: — Mr. Chair, a few years ago, in 1997-98, the government announced a change in the way in which we would approach income security in Saskatchewan. It was called the building independence program. The building independence program had a number of features. All of those features were primarily geared to provide opportunities for people outside the welfare system; to move people from welfare into work.

The features were: (1) a provincial training allowance to support people outside of welfare to pursue basic training opportunities that then might qualify them for further training and education.

It featured a child benefit jointly with the federal government to provide more substantial support for low-income families which would then be of more assistance for families who . . . low-income families who were working. That is to provide some income for them to help them meet the needs of their children.

In addition to that we put in place a program called Saskatchewan employment supplement that people could apply for which was to recognize some of the costs associated with going to work, whether it's child care or transportation or special clothing that someone might need.

Those measures put more money into the pockets of low-income, working families so that there would always be a financial incentive to work as opposed to remaining on social assistance.

So we took those steps and we've seen some results from that. Our estimates suggest that there has been a decrease in the number of families on social assistance as a result of these measures.

Within the last number of months we've identified a need to do further work in the way in which we deliver social assistance so that it can have a greater impact on our clients. The member will be aware that I made an announcement in Saskatoon some months ago.

Those changes were intended to do . . . to again to accomplish more of the same objective. We, one, want to recognize that still approximately one-third of all those who come to us come to us because of an unemployment problem. That is they've lost their job, they don't have income, so they need income support. Those are in the main.

Mr. Chairman, if I might say parenthetically, those would have been people who 10 years ago would have applied for unemployment insurance and would have received unemployment insurance to tide them over until their next job. But with the changes that were made in the then Unemployment Insurance program in Canada, many people, where they needed assistance, were pushed onto provincial welfare programs. This

is a method of downloading by the federal government that I think all members will be aware of.

But we want to first of all focus on the needs of people who come to us who are employable for whom training might not be an alternative, and having explored training opportunities, but who want to work.

And we want to use our resources, that is to say Department of Social Services and the Department of Post-Secondary Education and Skills Training through their Can-Sask employment centres, to work aggressively with those who come to us for reasons of unemployment, to work aggressively with them to see what we can do to also help them to find employment. Because they want to work. Their frustration is that they can't find the work and they come to us for those reasons.

And I might say happily that this has been decreasing over the years. I think something like a third of all those who are on assistance, we would consider to be fully employable. Some 10 years ago, maybe one-half of all those who were on social assistance would have been there because of unemployment, or we would have considered them fully employable.

So first we want to work with people who come to us whose major need is for jobs, is to help them focus on getting jobs. It may well be that they've exhausted all of their contacts in terms of finding work, but there might be something that we can do to help them find work, so we're going to help them do that.

Secondly, we want to focus more intensively with other clientele who are dealing with barriers to independence. And it might be that a mother with children — although she wants to work, is capable of working — it might be that child care presents a real issue for them. And therefore we will want to work with families to see what we can do to deal with that barrier.

(15:15)

It might be that another family might have problems, a health problem. It might be a drug problem or it might be an alcoholism problem. We then want to work with them to see what we can do to help them overcome those barriers so that they too can live independently of social assistance.

Generally speaking, that is the direction that we have been taking in the last few years and that is the direction in which we are planning to go. We recognize that at the end of the day to reduce poverty, people are better served by us helping them to find work, meaningful work in a real economy, and in that way help them to work their way out of poverty.

And that's the approach we take, Mr. Chair.

Ms. Draude: — Thank you, Mr. Chair. Mr. Minister, I have just a couple of questions to ask you that maybe is off the topic that you're discussing at the moment.

But a number of times when we're discussing programs, we hear the term poverty level or poverty line. And I'm wondering if your department has . . . first of all, what the level is and

what's considered the poverty level here in Saskatchewan? And what criteria do you use to come up to that number? Could you give me an exact accounting of how we come up with the number of poverty line?

Hon. Mr. Van Mulligen: — Mr. Chair, the formula that's most often used, and has been used by campaign 2000 when they assess their various jurisdictions with respect to poverty, is something called the low-income cut-off, which is also used by Statistics Canada to measure poverty.

And they measure it by saying that you're judged to be living in poverty if you spend more than 56 per cent of your income on basics such as food, clothing, and shelter. That's my understanding of the formula that they have. That more than 56 per cent of your income is spent on basics such as food, clothing, and shelter. And that's the formula that Statistics Canada uses to measure poverty.

There may be other measurements around that try to get more exact about how poverty might be measured in some jurisdictions as opposed to others, recognizing that rental costs in Saskatchewan are one thing but rental cost in downtown Toronto is something else again, that rental costs in Wadena might be one thing but that rental costs in Saskatoon might be something else again.

But the figures that are most often presented are based on the low-income cut-off which is a formula used by Statistics Canada and was reported on in campaign 2000, and which, according to their figures, we've seen a reduction in poverty in Saskatchewan.

Ms. Draude: — Thank you, Mr. Minister. Then there is a . . . this seems like it may be a little sort of a matter of opinion because if you decide that you need to spend more money on clothes than somebody else, then perhaps you're considered at a different level. So is there any kind of a breakdown saying that, for a family of four, so much money should be spent on clothes and so much should be spent on food? If you have those numbers or that formula, could you send it over, please?

Hon. Mr. Van Mulligen: — No, I think the member is right, Mr. Chair. Statistics Canada would have some formula and say that if you're a family of four, for example, our expectation is that you should be spending X number of dollars on clothing and X number of dollars on groceries. And that's one of the frustrations that we have from time to time, that those measures aren't very sensitive to local conditions.

Mr. Toth: — Mr. Chair, Mr. Minister, when it comes to the basic allowance, if there's an area that I hear more often than not is it just doesn't cover enough and that people in some cases are digging into what's supposed to be their food and clothing allowance in order to supplement rental properties. In other cases, it's situations due to maybe medical needs that people are digging into their basic allowance.

And the concern, Mr. Minister, is what criteria do you use in making sure that there's reasonable funds to cover accommodations, considering the fluctuating rental market that may be out there?

And, Mr. Minister, what criteria does your department follow in the case of special medical needs or attention that people face in trying to address that concern so that they're not robbing from the few dollars that they have for their food and clothing allowance?

And maybe I could ask, Mr. Minister, as well maybe you could give us what would be the basic allowance that a single person should receive for food and clothing per month, as well as maybe a family of four. I don't think I'll ask you to try and go through whether it's a couple or two children in the family or four children. But first of all, for an individual and then, secondly, what a family of four would expect to receive in an allowance for food and clothing over and above rental.

And maybe as well, Mr. Minister, just give a breakdown of the other costs that would be covered, whether heat and light are part of the rental agreement or that's an additional cost that the department covers. If you wouldn't mind doing that, I'd appreciate that, Mr. Minister.

Hon. Mr. Van Mulligen: — Mr. Chairman, the basic adult allowance is \$195 a month. If that adult is disabled, another \$40 can be added to that. Shelter allowance for a single employable person, it's \$210 per month. For a single unemployable person, that is to say someone who is disabled or for whatever reason, it would be \$320 per month.

In addition to that, we would provide for the cost of utilities where that person is expected to pay the utilities directly. In addition to that financial assistance, we of course provide supplementary health coverage for people in receipt of assistance. And in addition to that, financial assistance may also be provided for special circumstances such as special clothing, travelling expenses, special care for disabled recipients to purchase services to maintain a home, expenses for education of children, expenses for commencement of employment, special service telephone for those who are disabled, rehabilitation allowance, allowance for child care, household moving expenses, repairs to property, funeral expenses, and allowance for children visiting a non-custodial parent.

So we do make allowance for special circumstances but the basic allowance is, for a single person is \$195 and the shelter allowance is \$210, and then their utilities are provided for, and then special allowance can be made for people with disabilities.

Mr. Toth: — Mr. Chair, Mr. Minister, your shelter allowance of 210 or 320 for a single employable, I'm not exactly sure whether or not those are high enough. I've been looking, certainly looking through the paper and just looking for some rental property and I haven't found anything that's even close to that level of allowance. In most cases it's almost three times that amount.

So, Mr. Minister, what does your department do with recipients who come to you and need housing and they're only offered 210? Where do they find the, a part rental for that amount or what does the department do to assist people who may be in need of shelter and yet what's available isn't even comparable to what your department is offering for shelter assistance?

(15:30)

Hon. Mr. Van Mulligen: — Mr. Chair, we certainly have had expressions of concern. We take the position that for single, employable people that they are always better off to be employed as opposed to being on social assistance. Even at minimum wage a single person potentially can have net monthly earnings of \$900 or so, whereas on social assistance the total is \$489.

So we point out to people that they are better to be employed than to be in receipt of assistance. And with our redesign we hope to put more focus on assisting them to find work as opposed to being left to their own devices and in need of social assistance for any length of time.

I think it's one thing to come to us and to be unemployed for a period of a few months, to make do during that period of time until the person can find a job and to make ends meet. But we do recognize that shelter is an issue. But it's also an issue in the sense that we know that we cannot simply increase shelter allowances. And for landlords to increase their rents that they charge, even if we're able to have a positive impact on people on social assistance, what do we then . . . what have we done for low-income, working people who are competing for the same housing.

That for people on welfare more assistance is provided, but if you're not on assistance, all of a sudden you're having to pay additional costs and then again you create situations where you're better off to be on assistance than to be working. And our focus is on encouraging people to work.

These are complicated issues. We're entering into discussions, or we have had discussions with other government departments and community-based organizations as to how we might better approach this issue and to have some meaningful impact in the long run.

Mr. Toth: — Mr. Chair, Mr. Minister. Mr. Minister, has your department had a problem assisting people who are genuine and need assistance in finding — I shouldn't say . . . genuine and need assistance but as well on assistance — in finding shelter at the current rates? Or does your department . . . is the person on assistance, is it up to them to actually find a place that they can rent for the value that they're being allocated or does the department have a list of possible rental opportunities that might fit into that criteria? What avenue does a person pursue if they're in that position of needing some assistance?

Hon. Mr. Van Mulligen: — Mr. Chair, the question of what shelter a person wants to rent, move into, is one of individual choice. There may be workers who try to assist clients who are having problems by referring them to community-based organizations such as the Welfare Rights Centre in Regina who might then be able to assist those clients to find shelter that meets their needs.

But as a matter of course, we do not have a roster of homes that we will encourage people to go to. It's a matter of choice.

Mr. Toth: — Mr. Chair, Mr. Minister, a question I need to ask before I forget about it. The member from Kelvington-Wadena would like some information passed to her regarding those standards in regards to what would be considered the poverty

level and how that's arrived at, if you wouldn't mind having that sent over.

Mr. Minister, when people come to your department, for example, they've been laid off and they've been relying or they would qualify for . . . what is it? Employment Insurance I guess it's called now. But you probably receive those or re-receive them after a month and a half or whatever. That isn't coming through and they're all of a sudden struggling and they don't know where to turn, and so the only avenue that I find that seems to work is to send them to see if they can get something to tide them over.

But when they come to you, Mr. Minister, what avenues do you follow to determine . . . or the follow-up, I guess, that would provide the care. And would that assistance go back and cover that period of time that they've been without? And then the steps that would be followed so that when EI (employment insurance) does kick in that we don't find ourselves in overpayment situations. And then you've got to go and recover funds from the individuals. And I think that's a problem that arises on numerous occasions. And people are always asking, well every time I turn around I've got nothing left because supposedly I've got an overpayment back here.

Mr. Minister, I'd like to kind of know where the department goes? How do you address these concerns so that people aren't left with very little in their pocket at the end of the day because of overpayments that may have developed — while they hadn't intended to — just because of the overlap of the two programs and the fact that sometimes EI does take a while to kick in.

Hon. Mr. Van Mulligen: — Mr. Chair, if people come to us in the circumstances described by the member, that is to say they qualify for Employment Insurance but have not yet received Employment Insurance, we will provide emergency assistance for a period of up to two weeks.

But if a person is single, employable and comes to us, then we will provide that under the clear understanding that they will assign some of the benefits when they are received back to us to compensate us for the funds that we have expended. And that's assuming, of course, that the EI cheque is more than what they would receive on social assistance and will meet their basic needs.

Mr. Toth: — Mr. Chair, and Mr. Minister, in assuming that and requiring a repayment based on the funds being allocated during a period when EI would kick in, if EI happens to be delayed, does that kick-in time come from when EI kicks in to and they still may receive a cheque because it's already moved out? Or does it go back and say, well EI was supposed to take place here but it never did, and then you require payments at that time?

I just want a clarification on that to make sure that the funds that were actually the emergency funds met a need in a time period when there actually was no funds available and that they aren't penalized for that.

(15:45)

Hon. Mr. Van Mulligen: — Mr. Chair, before I forget, you

asked me a question with respect to the member for Kelvington-Wadena, and we will undertake to provide her with a detailed description as to how these poverty levels are measured and including the various measurements, Statistics Canada and others that are being used, and will provide her with that information.

Again with respect to assistance for people on unemployment or employment insurance, it's not just single people, it's all those for whom we provide assistance that we ask them to assign their cheques or that a portion of it that we had provided them with; pending the receipt of employment insurance, we ask them to provide that to us. If a cheque is for some reason delayed, the employment cheque is for some reason delayed, we will continue to assess their circumstances and to provide assistance accordingly, and then make arrangements with them to recover those amounts when the employment cheques are received by them.

Ms. Eagles: — Thank you, Mr. Chair, and thank you to the minister and your officials for being here today.

Mr. Minister, I've had some concerns where people that were on social services receive their allotted funds, but then they were fortunate enough to get off the Social Services' program. Now they are just barely eking out a living, just money for the absolute necessities in life.

In one case, the person has now received a letter from Social Services saying that they have overpaid this person by \$425. Now there is no way that this person can repay this money without getting back on the program. What direction would you give a person in a circumstance such as this?

Hon. Mr. Van Mulligen: — Mr. Speaker, as I understand it, our department is certainly prepared to enter into negotiations or discussions, if you like, with people in circumstances such as those the member made us aware of.

If, for example, there is an overpayment of \$425, we know that it's unrealistic to expect that such an overpayment would be repaid as a single lump sum immediately. We'd certainly be prepared to enter into discussions as to how that might be repaid over time. And if there is good will to do that, then we'll accept that.

The last thing we want to do is to destabilize that person or that family's situation so that they're forced back on to social assistance, we don't want to do that. We will take their program, provided it's anyway reasonable to repay. But having said that, once they undertake to do that then we do expect that they will live up to their commitments.

Ms. Eagles: — Mr. Minister, in one of the cases I'm thinking of, there was a breakdown in the marriage and upon getting off of social assistance the one partner was responsible to pay a lot of SaskPower bills, SaskEnergy bills before they could have the power hooked up in his or her name again. And right now this person is telling me, you know, I've talked to this person about a repayment program and they have said that with the money that was . . . or the responsibilities that was dumped on them because of the marital breakdown, where they were responsible to pay the power and energy bills before they could even have

these utilities reconnected in their name, it's just absolutely impossible.

There are children involved. And, you know, so while I appreciate you saying that something could be worked out, you know, I just don't know how feasible it is to insist that these people have to make a repayment on this at this time, given the circumstances, when there is children involved.

Another area I wanted to get into, Mr. Minister, was assistance provided to single mothers. I have had two inquiries at my constituency office relating to single mothers currently living at home with their parents because they feel they cannot make ends meet if they move out on their own on the amount of assistance that is provided to them.

Now if they moved out of home, their assistance would be increased, but by moving out, the mothers would have to look at hiring a babysitter. And would it not make more sense to allow mothers to live at home and increase the assistance rather than having to move out and pay for a babysitter?

Hon. Mr. Van Mulligen: — Mr. Chair, I'm not quite sure how to answer the member's question except to say that people will have to make their own choices as to what is in their best interests. What we have tried to do is to construct a system that rewards people for working and makes it far more . . . makes it better to work and to live off employment income than to be on social assistance.

For example, one adult and one child receiving social assistance and the maximum of a shelter allowance and the like would receive from us about a thousand dollars a month, \$1,003 a month. But that same single parent with one child, assuming that's a preschooler, working minimum wage and receiving the Canada Child Tax Credit, the National Child Benefit supplement, the Saskatchewan employment supplement, the Saskatchewan Child Benefit, child care subsidies and the like, would have an income of \$1,673 a month.

So I can't vouch for that person's choices in terms of whether they want to live with their parents or want to live on their own. All I do know is that we have constructed a system that certainly encourages them to work because we think, in the long run, that she's better off working in terms of working their way out of poverty.

Ms. Eagles: — Thank you, Mr. Minister. When a single mother wants to take a course and further her education, is there a standard policy that Social Services has regarding upgrading? Are there courses that they pay for or just don't they pay for any upgrading courses?

Hon. Mr. Van Mulligen: — Mr. Chairman, there are situations under which we would provide assistance if there is some training program, particularly life skills type programs where they're less than six weeks in duration, that we would continue to provide social assistance for that client while they took that training.

But for anything longer term than that, and especially for adult basic education type programming, we would encourage that person to apply for the provincial training allowance — which

is a flat allowance and I believe is somewhat more generous than social assistance would be — so that they could then receive that allowance while they're pursuing their basic education to, say, get up to a grade 12 level or whatever the case might be.

Beyond that point we would then encourage people to, through a combination of work and through application to student loans and bursaries from the province, to provide for their own education after that point.

Ms. Eagles: — Mr. Minister, the longer-term program that you mentioned, the training allowance, who handles that? Is that out of the Department of Social Services or the Department of Education?

Hon. Mr. Van Mulligen: — I'm sorry, Mr. Chair, I should have clarified that. That is administered by the Department of Post-Secondary Education and Skills Training. And they assess people for their participation in adult basic education programs, assuming that the institutions that they're enrolling in, the programs they're enrolling in, are acceptable, then they would then enrol them for a provincial training allowance.

And again, the intent is to have those provincial training allowances to be somewhat more generous than social assistance, and also with greater flexibility than social assistance in the hopes that they can, in this way, be encouraged to receive their basic education which then might put them in a position to follow through on skills training classes at local community colleges or further academic education.

And we believe we're having some success with that type of approach to helping people achieve their basic education.

(16:00)

Ms. Eagles: — Thank you, Mr. Minister. The training allowance, now is that separate from a student loan, as we know a student loan? It is? So if someone is on the training allowance and they are being paid out of Post-Secondary Education, so that would in turn . . . does that mean that your welfare numbers go down, your social services numbers go down?

Okay. So then when they get through their education and if they don't have a job and then have to go back on social services, is this what makes your social services numbers fluctuate?

Hon. Mr. Van Mulligen: — Mr. Chairman, any time it would be on an average of about 1,500 people in those circumstances. And 1,500 . . . I guess one could say that our social assistance caseloads are lowered by 1,500 as a result of the basic education . . . or the provincial training allowance as provided by Post-Secondary Education.

Other provinces have similar types of programs. I know that Alberta, as an example, moved very aggressively in that area when the federal government downloaded responsibilities for income support for people who, until that point, had been eligible for Unemployment Insurance. They moved very aggressively in that area but then I suppose they had more resources to do that.

But on any given day there'd be about 1,500 people. It wouldn't account for fluctuations. There might be some small seasonal fluctuation that that might attribute to because some of those programs might not be as readily available during the summer months. But year over year there is no real fluctuation. What we're seeing is caseloads go down and have been going down for six years.

Hon. Mr. Lautermilch: — I move the committee report progress.

General Revenue Fund Agriculture and Food Vote 1

Subvote (AG01)

The Chair: — Before we get underway, I'd invite the minister to introduce his officials with him here today.

Hon. Mr. Serby: — Thank you, Mr. Chair. I'm pleased to introduce you to the members that are here from the department. Seated to my direct right is the deputy minister, Mr. Gord Nystuen; to my left is Mr. Hal Cushon, who is the director of policy and planning development branch; and to my far right is Mr. Russ Johnson, who is the manager of operational services, admin services branch.

Directly behind me is Susie Miller, who is the assistant deputy minister; and behind the deputy minister is Mr. Jack Zepp, who is the administrator of administrative services branch. And seated in the back row are Doug Mathis, who is the general manager of Saskatchewan Crop Insurance Corporation; and Louise Greenberg, who is the director of inspection and regulatory management branch with the department.

Those are my officials with me this afternoon, Mr. Chair.

Mr. Boyd: — Thank you, Mr. Chair. Mr. Minister, welcome to your officials here this afternoon.

And, Mr. Minister, we wanted to focus on three or four areas this afternoon — on the AIDA (Agriculture Income Disaster Assistance), CFIP (Canadian Farm Income Program), CSAP (Canada-Saskatchewan Adjustment Program), and various strategies in terms of a long-term safety net or agriculture stability type programs that are being discussed and talked about out there across the province these days.

With respect to AIDA, Mr. Minister, and to your officials, I think it's widely viewed in Saskatchewan that the program had many deficiencies. Of course any assistance from the federal government or from the provincial government, generally speaking, is appreciated. But this was a program I think, by many, many accounts in Saskatchewan, failed to meet the needs of Saskatchewan farmers, particularly the grains and oilseed sector of our economy, agriculture economy.

And the people of Saskatchewan as a whole, I think, felt that when the program was initiated that it may provide some degree of stability to the ag sector, and it probably raised more questions than it answered in terms of a safety net proposal.

And I'm wondering, Mr. Minister, if you and your department would provide for us, here today, an update on the AIDA program, what numbers of producers have received benefits to date, what is the average payout, what is the maximum payout that any individual or corporation was afforded through the program, and what was the minimum amount of payments that people may have received?

And most importantly, Mr. Minister, if I can get your attention for a moment, Mr. Minister, the most important thing that I want you to provide, with respect to the AIDA program, is do you and your department agree with the general philosophy of the program which was to attempt — and I say attempt very guardedly because it most certainly didn't — but to attempt to identify need. And that was what the AIDA program was all about, was the attempt, Mr. Chair, Mr. Minister, of identifying need. And I think most people in agriculture circles would feel that it failed miserably in that attempt to identify need.

And in addition to that, the concerns that many producers have with respect of a program that even goes down that direction of trying to identify need, particularly when commodity prices are low, whether you are involved in any area of agriculture, perhaps with the exception of the livestock industry.

So, Mr. Minister, an update on the AIDA program in terms of a statistical analysis of where we're at with it, and as well as the general observations in terms of the program delivery and the philosophy of trying to identify need.

Hon. Mr. Serby: — Mr. Chair, thank you very much, Mr. Member. I want to attach myself first to some of your comments because we hold the same view on the AIDA program without much question.

As you well know, the program was designed in 1998 after considerable discussion I believe in Winnipeg where there were representation from all across the country of ministers of Agriculture and officials who needed to look at some way of addressing some of the disaster needs that agriculture producers were experiencing across the country.

And at that time, of course, Saskatchewan was clearly on the record as saying that we were not supportive of this particular program, given the kinds of deficiencies as you've, I think, well articulated as it relates to the grains and oilseeds. But we, as you know, were one lone voice in the development of the AIDA program across Canada and so at the end of the day ended up with a program that we participated in.

When you ask the question about the number of claims that have been paid out — and I'm using now the March 18, 2001 statistical data to provide this information to you — the total claims that were paid, and this is the final number, were 12,300. And that's for the 1999 tax year that I'm looking at.

The number of claims that were received were 25,580. The average payment worked out to about \$12,788. And the number of claims in progress, the finals are 2,490, almost 2,500 claims is what has been paid out to date. And that's the interim, the final, and also the claims in progress.

Mr. Boyd: — Thank you, Mr. Minister. The other part of the

question you failed to answer, and that is whether you agree with a basic philosophy within that program of trying to identify need.

Hon. Mr. Serby: — Well, Mr. Member, and Mr. Chair, to the member. As I've said on many occasions, when you take a look at the margin and look at past margins and then look at what's happened in the grains and oilseed sector in particular, we've seen a history over the last 30 or 35 years where we've seen a continued decline in the return that . . . what producers are receiving today for their grains and oilseeds.

And clearly, this program, itself, does not address the kinds of differentials that we're talking about today, and we see the kinds of slippage that we see in the grains and oilseeds over the period of time.

So when, this year, we were confronted with the issue as you point out in your opening comments about now moving from the AIDA program, moving to CFIP, much of what we said over the last couple of months is that we have today a design of a program that's by and large modelled in the same fashion as we had with AIDA. Only we have today an even smaller contribution that's been provided by the federal government. So we find ourselves, as you can appreciate and I know that you know, in a similar situation that we were with the past program.

Now the issues around how do you find a way out of that is that when we were in our discussions around CFIP — and you've asked me the questions on other occasions about what are we doing in terms of long-term safety net as it . . . to address itself to this particular issue — we shouldn't forget that when we come out of AIDA in 1990 . . . or when we developed AIDA in 1998 for a two-year period, over that two-year period you had all of the provinces in Canada including Saskatchewan that were busy trying to devise yet another safety net that would address some of the concerns which were . . . you're raising with me today.

And we said as we moved down that path that we would like to see something that would be more reflective to what our grains and oilseeds issues are in relationship to the margin and the past margins. And that we didn't get a whole lot of support, I must say to you, from some of other provincial colleagues.

And so at the end of the day we try to stand out there on our own, saying that we don't like this particular program because it has too much association or identity to what's happening with AIDA. But when you're trying to negotiate an agreement with 10 other provinces who have mixed administrations, as you know, and we have a huge grains and oilseed industry in Saskatchewan today, we stood . . . we stood on the side of that decision. But at the end of the day found myself being in the same place as we were a couple of years ago when we negotiated the AIDA agreement.

(16:15)

So if the question to me is are we satisfied with what we have today in the CFIP program; the answer is that we're not. The question is were you satisfied with the AIDA agreement; the answer to that is that we're not. We weren't satisfied with that.

And is there some room today to develop and look at building a better safety net program in Saskatchewan? For grains and oilseeds people, I think there is. And our interest, of course, is to move down that path and to try and get my colleagues and other provinces today to recognize the kinds of issues that we have in our grains and oilseed sector.

Now how successful we're going to be at that over the next seven or eight months — which is a timeline that we've established to do some of that review — remains to be seen. But I'm optimistic, at least in this last round of discussions with our other provincial colleagues, that we've been able to demonstrate that we have far greater hardship on the grains and oilseed side than some of the other provinces do in Canada and that, to a large degree, this particular program doesn't work for us in the same fashion.

And so, that's the direction in which we're moving now.

Mr. Boyd: — Thank you, Mr. Chair. Mr. Minister, I wonder if you could confine your thoughts for a moment to the question, and the question was: does your department, yourself and your government, agree with what the basic philosophy, as I understand it, of the AIDA program was? And that was to identify need and then to attempt to make payments based on that identifiable need.

And I think that that's something that's quite fundamental to ag policy, that we need to discuss here and get on the table so people in agriculture know what your government's policies are apt to be now and into the future with respect to agriculture.

The AIDA program, Mr. Minister, was an attempt by the provinces and the federal government, with your participation, to identify need. Are you in agreement with that?

I don't care whether you're in agreement with the total program or not in agreement with the total program. I want to know whether you're in agreement with the basic philosophy of identifying or attempting to identify need, which is what the AIDA program was, a very failed attempt to do but an attempt on behalf of the federal government.

Hon. Mr. Serby: — Well, Mr. Deputy Chair, I say to the member opposite that if the question to me is whether or not I recognize that there's a need to have a program in Saskatchewan today that supports our agricultural producers from a broad perspective, the answer to that is that I do.

If the question is what kind of a program are we intending or are you suggesting or I may be saying to you do we need in Saskatchewan today to try to address the basic issues of our grain producers and oilseed producers or our livestock industry today or of the agricultural industry, and we have today in the province, we have three programs that are designed to do a variety of different things.

We have the crop insurance program today that tries to insure the crop against loss and against risks. So we have risk insurance. And we have a NISA (Net Income Stabilization Account) program today that's expected to provide some assurances today for farmers if in fact we have differentials in price. And today we also have a disaster program which is

intended to provide some relief to people when in fact we have disasters in the province.

So we recognized in Canada today, and in this province, that we need . . . or we should have three different kinds of programs to address the various different needs that are out there in the agricultural community, across the very wide broad-based industry where we have livestock and the grains industry and specialized livestock and specialized crops — a very, very diverse agricultural industry in our province.

And so when we try to find a particular program . . . which I'd like to. I'd like to find a particular program which might have a simplistic delivery system or would have a simplistic application form, that would provide the kinds of price adjustments that farmers are looking for when you have differentiation in the marketplace. A program that can provide risk coverage when in fact you have a disaster in the province or if you have a loss because you have a disaster somewhere through crop insurance. I'd like to find a program where we might be able to do that for everybody.

So if the question is, you know, do we need to provide some assurances to do all three of those things, the answer is that I think we do. But what is that particular program that we might be able to put in place, given that we have to negotiate the support to a program of that nature with nine other provinces. And that's not an easy task, as you can well appreciate, given that there are some provinces today who have a different view on yours and mine as it comes to CFIP or AIDA.

While we're busy negotiating the agreement on CFIP or trying to work out other arrangements about signing the agreement, we have some of our friends in other parts of the country saying this program's good for them.

And so while here we are trying to realign, readjust, reconstruct a program that's more suited to our needs, we have other provinces today who say this program works very nicely for them. And where you have peaks and valleys in the operation of the industry, CFIP and old AIDA worked. But in the grains and oilseeds side it did not work.

And so if the question is do we have a need for a more comprehensive program that better addresses all of the issues of which our three programs in Saskatchewan or across Canada tried to address, the answer is that we do. But to try to develop that in concert with the entire Canadian agricultural industry has been an exercise that's been hard to achieve, I have to tell you.

Mr. Boyd: — Thank you, Mr. Chair. Mr. Minister, do you believe in a program that should be universal in nature then rather than income tested?

Hon. Mr. Serby: — I think, Mr. Deputy Chair, to the member, I think any time that we're trying to develop programs across the country within the agricultural industry, the answer would be that we'd like to see universal programs. Clearly we'd like to see universal programs.

But they also need to have flexibility within them to address the various different issues within each industry. And we need to also keep in mind that there are financial responsibilities here

also to maintain and sustain programs. And in this province, as there have been in other provinces, there have been caps in the past.

Now my interest would be yes, we'd like to see some universal programs across our province, but to try to sustain some of those, some of those programs to achieve the kinds of levels of return that I think producers are looking for in this province today requires a fairly significant investment. And that's why we've tried to do that in partnership with our federal friends, and we've tried to do it on the basis of what our financial abilities are within this province, and in concert with what producers are telling us across the province.

Mr. Boyd: — Thank you, Mr. Chair. Mr. Minister, would you provide for the legislature and all members and the farm community in general, what recommendations your department put forward at the beginning of the AIDA program, prior to the announcement of the AIDA program, with respect to what you felt a program should have in terms of program delivery, the type of program, whether it was universal in nature, or income tested? Would you provide for us what submissions you made at that table in Winnipeg when the negotiations were on for the AIDA program?

Hon. Mr. Serby: — I've taken a bit of time to think about this, Mr. Member, because clearly when we were devising the program in 1998, I wasn't at the table or hadn't had the kind of influence on this particular program that I might have liked to have had.

But I want to say to you that when the program was first designed, when AIDA was first designed in 1998, we in Saskatchewan were the first province to call for the design of a program. And we fully expected during that participatory period that we would be very much involved in the design of the program.

Now I know that you might say that we had an opportunity to be more fully involved or engaged, and maybe we were not, would be your view. But I think on this side of the House we might say that to the degree of which we could be involved, we were involved.

And clearly AIDA is a needs-based program. But if in fact we were going to look at devising a program in a more comprehensive fashion today, I mean I would be looking at two or three things.

I'd be looking at general programs for all farmers through addressed production . . . (inaudible) . . . low prices, or for low prices, due to the trade wars and price cycles. So I'd want to have something that would address that particular issue.

I'd want something that would be targeting programs to address more specific needs. And we talked a little bit about the areas of skill development, which I think today we have in some of our programming.

And I'd want something for economic development types — programs that help the industry to grow and create more jobs.

So I think there would be sort of three scenarios there that I

would be looking at as we would go, to craft our programs.

But outside of having said what I did in terms of the early days of the development of AIDA, much of what we wanted to see is a greater participation on the part of the province in developing that process. And I have to say to you, we felt to some degree that that didn't happen in the way in which we'd like it to happen. And our sense is that in this round of negotiations, discussions on CFIP, that we're going to be far more front and centre on it, as you witnessed.

Mr. Boyd: — Thank you. Did your department, Mr. Minister, put forward a submission or a position paper at those discussions, and if you did, would you provide a copy of it to the legislature? And if you didn't put forward a formal position paper, would you provide us with a synopsis of what the position of . . . the official position of the Saskatchewan government and the Department of Agriculture was at those discussions in Winnipeg at the negotiations for the start-up of AIDA?

Hon. Mr. Serby: — Mr. Deputy Chair, to the member, I want to say that my officials inform me, who were in around that process at that time, is that when they came away from the meetings in Winnipeg and returned back to their individual provinces, that within weeks there was a decision made — we were going to have what we had.

So there was a federal announcement on this particular program with little or no participation by the provinces, including Saskatchewan. So this was a unilateral decision. It was made by the federal government to proceed with the development of this particular program, AIDA.

Now I can say to you that the process is a little richer today than it was at that point. Because I know that in the development of what we have today in CFIP, that the officials from the Department of Agriculture and Food in Saskatchewan have been very much around those discussions. So the process has changed. I think the process has changed today.

And so when you ask me to table something, what I can do is say to you that the Farm Support Review Committee, of whom there was some discussions in Saskatchewan with, there was some information and data that was put together at that time, and we'll try to find that for you and make it available for the Assembly and for you to see.

Mr. Boyd: — Thank you. So I gather from that comment, Mr. Minister, that you did have a formal position, the Government of Saskatchewan had a formal position that you advanced to the Farm Support Review Committee for discussion on that committee.

And I'm wondering if you could table that recommendation or table the government's position and what the Farm Support Review Committee's review of that amounted to, Mr. Minister. I think it would be useful in knowing . . . I think it would be useful for the farm community in knowing what your position was in taking it to the table.

You know, you and I can debate here all day whether or not it was substantial enough or comprehensive enough. But I think

we can let the farm community judge for themselves. If you would simply just provide for the legislature a draft or a copy of whatever submission you made to the AIDA discussions, and as well what you had asked the review committee to look at, and what your recommendations were, based on that.

(16:30)

Hon. Mr. Serby: — I think what we'll do, if it meets with the member, is we'll find what some of those options that we put forward in the early days to the federal government when we were in fact moving down the path of AIDA. We'll take a look at those submissions that we made and discussions that we had with the Farm Support Review Committee.

But I want to one more time reiterate to the member that the package that we ended up with as it relates to AIDA, our friends in Alberta and Ontario were very high and keen proponents of the AIDA package and the AIDA program. So you should know that there wasn't a great deal of discussion and debate around this issue with the provinces; that what you have today or what we had in the AIDA program was very much driven by the . . . particularly the two provinces of Ontario and Alberta in concert with our federal government.

And so as much as we put together a position, Saskatchewan's position and a number of options to the Farm Review Committee, much of the decisions around what we got in AIDA were already made for us in advance of making those submissions.

Mr. Boyd: — Thank you, Mr. Chair, Mr. Minister. While that well may be the case, I think we need to determine what Saskatchewan's position was at that negotiating table and we can see and judge accordingly whether or not it was acceptable for the farm community. And I accept your position that you will be advancing that as soon as possible and we'll be looking forward to that, and prior to the next occasion I would hope that we would have to meet in terms of estimates so that we can go through that a little bit more in detail.

Now moving on to the next stage of program development, was the CFIP program. And I asked this same question. Do you generally accept the direction that CFIP was — and I think I know the answer to that, you don't — but I would also like to know specifically from you and your department, what recommendations you advanced with respect to the development of the CFIP program and what changes you recommended from the AIDA program following through into the CFIP program?

And I think we need to know that for a number of reasons, Mr. Minister. I think the ag community owes an explanation as to where Saskatchewan was at the negotiating table, what Saskatchewan's position was. We just simply can't, I don't think, sit on the sidelines and say that we didn't like what came out of it without saying what we were prepared to contribute in terms of advice or consultation, in terms of direction, where we want to go in it, in the program development.

So, Mr. Minister, if you could provide us with what program development changes you wanted to see in the CFIP program for the farm community of this province.

Hon. Mr. Serby: — I think, Mr. Deputy Chair, to the member, what we can provide for you here is the more detailed, I think, accounting of the kinds of information that we put forward on the CFIP package. And we'll do that; we'll make that available for you as opposed to going through all of it today.

But you should know that we were very much interested in addressing the whole issue of low margins and made a strong presentation around that piece as the negotiations were ongoing, and we wanted some adjustments to the base period, which were important for us in that discussion.

But I need to say to you one more time that when you're developing a program of this magnitude, where you have nine other provinces around the table, and as well there was some fairly sincere adaptation, I think, by some of the other provinces who've said that the AIDA program for them by and large was successful and they liked the way, in fact, it worked. And so the transition from the AIDA program to CFIP by some of the other provinces outside of Saskatchewan was an easy transition for them.

And so we have today, to a large degree, an acceptance, as you can appreciate. Up until a month and a half ago Saskatchewan wasn't in the program. Saskatchewan wasn't in the program for some of the reasons, a couple of the reasons that I've mentioned to you already. But the other provinces were already in. The other provinces already signed the agreement, which gives you some sense of the acceptance that other provinces across Canada had to both AIDA and certainly the CFIP program.

Mr. Boyd: — Thank you, Mr. Minister. I inadvertently left one question behind on the AIDA that we should clear up before we go any further. It's with respect to negative margins. What is the province's position on that?

I understand a number of provinces have accepted the view of paying on negative margins. I think, and you can correct me if I'm mistaken, but I believe Saskatchewan is or may be the only one that is not paying on negative margins. And as a result of that, arguably many of the farmers, if you're going to try and identify need, that might be where you would want to start, by looking at that as an option in terms of it.

So, Mr. Minister, if you would provide an update as to which provinces are involved in paying on negative margins, which ones are not, and what the province's position is with respect to negative margins.

Hon. Mr. Serby: — Yes. Under the AIDA program, the negative margin, the only two provinces in AIDA that cover the negative margin were just PEI (Prince Edward Island) and Quebec. The federal government did, however, as well.

Under the CFIP program, nobody is covering the negative margins. And I think some of the thinking around this was that it would be a disincentive to the purchase of the crop insurance, is I think the discussion that most of the provinces agreed on at the end of the day.

Mr. Boyd: — Thank you. Moving on from the CFIP program, we now are entering into CSAP Two. And I note that the Government of Manitoba has put out a press release today

outlining how the program will work in Manitoba.

Do you anticipate it working similar to Manitoba's, here in Saskatchewan? How soon will those program details be out? How soon will we see application forms? And what is the anticipated payout levels based on NISA contributions and payment dates, do you anticipate, Mr. Minister?

Hon. Mr. Serby: — To the member, the CSAP Two program, if you recall at all the way in which CSAP One worked, we're going to use exactly the same process that we used last year with the payout of the CSAP One.

The declaration forms, we expect to be out in the next two weeks to the producers across the province and we're hoping to have a very quick turnaround on the application forms that are made.

I think one of the successes that was given last year I think, or accolades that was given to this particular program, was how quickly it was turned around. And so our intention, of course, is to turn the program around with the same kind of expedience that we did last year, using the same model as we used last year to do the processing.

Mr. Boyd: — What levels of payments do you anticipate? I'm under the impression that it'll be based as well on net eligible sales of 125,000, approximately 5 to 6 per cent, 5.7 or something is a figure that's being kicked around a little bit.

Is that the anticipated payment levels, which would be roughly \$7,000 maximum, and what the average payment will be?

And I'm sorry; did you indicate when the payments are likely to be received at the farm level?

Hon. Mr. Serby: — As soon as the application forms are received, we're going to have the cheques flowing. And we expect that by the middle of May we're going to see producers with, you know, with money in their pockets. We're going to pay out at about five and three quarter per cent, which is I think the number that you might have been using. And that the average payment will be around 35 hundred, with the largest payout being around seven thousand, I think is the numbers that you were using. And those are the ones that we think they'll be around.

Mr. Boyd: — Mr. Minister, we receive a number of questions from farmers in Saskatchewan about these types of programs all of the time. I'm anticipating that you will have an advertising campaign to alert farmers with respect to this.

And in addition to that, will you also . . . what is the process for farmers that are not involved in the NISA program? We get questions about that frequently, and perhaps you and your officials could outline to . . . for anyone that is not in the NISA program, what the process is to gain access to the CSAP program.

Hon. Mr. Serby: — We're, Mr. Chairman, we're hoping to have . . . we're not hoping, but we'll have a brochure out for the end of April so that producers will know the process in which they can make their applications and how they should intend to

receive their payment.

The application forms for those who are not in NISA will be in two places. They'll be at the crop insurance offices so that producers can pick them up there, for those who aren't in NISA, or there'll be a toll-free number which they could call and then we'll make sure that they get their forms available to them.

Mr. Boyd: — Thank you, Mr. Chair. Mr. Minister, with respect to that program . . . so you're anticipating it working exactly the same — an initial payment, and a follow-up later on. How much later do you anticipate that being, and what kind of total benefits will be available to Saskatchewan producers in this program?

Hon. Mr. Serby: — Mr. Deputy Chair, the final payment would be the end of August, and this year we'll be paying out the federal and provincial portion, 200 million.

Mr. Boyd: — Thank you, Mr. Minister. I'd like to turn our attention now for a while, this afternoon, to the various strategies revolving around, loosely called, agriculture stability-type programs. A number of them are out there. I'd like to know what your views and your department's views are on a number of these that are out around the province these days.

And I think everyone is looking for some ideas in terms of what the direction of your government is with respect to these. Specifically on ideas like the focus on sabbatical, farm corp, cost of production related-type formulas that are being talked about by various farm groups in Saskatchewan these days. And if we could, if we could look at, in isolation, each one of them.

Let's start with the focus on sabbatical. I'm sure you're acquainted with it. I have a basic understanding of the program. It's an attempt to manipulate the market, shall we say, a little bit in terms of price strategy by removing land from production.

I want to know what your department's view of it is; if you've done any kind of an analysis of how successful a program of this nature might be? What kinds of costs are associated with it? And what kind of take-up would your department anticipate a program of this nature might be? And the general, shall we say, philosophy of a program of that nature — what your department's views on it are?

Hon. Mr. Serby: — Mr. Deputy Chair, to the member, first of all I want to say that producers today are looking for all sorts of ways to try and find a solution to be able to be more profitable in the agricultural industry or in the farming industry. And so anytime that you have people who are putting forward ideas and suggestions as this one is, I also, I also support that concept to continue to look at ways that we might be able to enhance the amount of return that producers today can get from the industry that's so important to our province.

What my, what my commentary on this has been, both on a number of, on a number of venues that I've been at, is that if we're going to get involved in a sabbatical program of this nature, that we need to have participation in the international, in the international world. It works, in my view, not unlike what's happened here with the, with the subsidy wars that we're

involved in today on the grain prices.

(16:45)

Today in the marketplace of course, as you know and I do, that European and American farmers today get two sources of income for the work that they do in producing food. One they get from the marketplace in the US (United States) and certainly in Europe, and the other they get a cheque in the mail from the national government. And that makes it very difficult today for Canadian/Saskatchewan producers to try to make a living in the competitive marketplace in the global world, where in fact you're disadvantaged by one particular or two particular large, global players in the industry.

And so when we're talking about a program like the sabbatical program, then we need to have participation in my view internationally. Because what will happen in my view is that we can take land out of production in Saskatchewan or in Canada, and what will happen is that if you don't have that kind of participation/support in the international marketplace, you'll have other people simply sliding in there and growing more commodity in those other countries.

So I think that there's value in this kind of discussion and there's value in this kind of thinking. But how you get the world to participate in this kind of an event in my view, will be the issue. And it's interesting today, of course I think starting on Friday in Quebec City, we have the huge discussion that's going to be going on today on international trade.

And it's interesting to see that one of the areas of which is going to get very little attention in those discussions is the whole piece on agriculture. And I say to you that if we're going to be entertaining, and I say to producer groups and organizations, if we're going to be entertaining these kinds of concepts or these kinds of options, that what we need to say is that we need to try to get the international marketplace to participate in this. And that would be my view.

I think that there's merit here to do this kind of work, but clearly it would require an international . . . it would need international participation in my view.

Mr. Boyd: — Thank you. Has your department looked at what kind of impact a program of that nature would have on the livestock industry in terms of prices?

We know that the livestock industry is always very sensitive to feed costs. And a program, while it benefits one side of agriculture, there's always the reverse impact on other sides of agriculture. And what kind of impact that may have in terms of reducing supply in an industry where . . . that depends upon supply, such as the livestock industry, and what kind of impact that may have.

And whether or not you and your department have looked at whether a program of that nature would be a program that would be acceptable in terms of trade negotiations, considering the fact that by attempting to reduce supply, you are attempting to in essence manipulate the marketplace to some degree. And what kind of impact that may have on future trade negotiations.

Hon. Mr. Serby: — Mr. Deputy Chair, to the member, we've had some . . . we've done some work on this case and we've had some discussion with them. Most of it has been with the department and the university, of whom we've done some joint work to look at what the repercussions or what the benefits might be of implementing a program or a notion of this nature.

I think clearly one of the things that we see immediately, as I think you've pointed out on the livestock side, is that they would very quickly put up the price and the costs of the feed grains. It sort of rises to the top the minute that you start having this kind of discussion.

But we have not done, within our own department, an extensive sort of evaluation and cost analysis of entering into a program of this magnitude outside of the discussions that we've had primarily with the university and the academia at the university.

Mr. Boyd: — What were the results of those discussions? I'm assuming it was ag economists at the U of S (University of Saskatchewan). What were their thoughts on the program?

I see in various farm publications some economists not looking all that favourably on a program of this nature. I'm wondering whether you got that same kind of reaction from the ag economists that you spoke with and what their recommendations were as far as a go forward type of approach from your government?

Is it something that you are continuing to analyze and look at or is it something that you have essentially discarded at this point?

Hon. Mr. Serby: — Well this is a timely question. I just spoke to one of the classes at the university not more than two weeks ago, of which I also had a discussion with Mr. Rasmussen or Rosaasen, sorry. And of course as you know, or may know, that they've put a paper out on this whole piece.

In my discussions with them privately on this whole issue, I mean the question is, is that if you can get the cartel to participate in this, and the land set aside, then of course it has some merit and it has some ability to work.

But if you don't get that kind of involvement internationally, then it becomes far more difficult for that kind of a program to work. And furthermore, it needs to have a fair amount of support — financial support — in order for it to work.

And those financial dollars need to come, in their view — I think Mr. Rosaasen's view and his paper and his students' paper — was that it would be a large injection by the federal government in order to set land aside in Saskatchewan.

Now an interesting discussion that I recently had with Mr. Vanclief, I mean he says it's wonderful to design programs but who's going to put the money? And any time that we try to do this kind of programming on our own, this is the costs that we can't bear on our own without any question. And I think the university and the students at the university the other day said the same thing to me.

It's a wonderful concept and it works. It could work, but it requires a significant investment in terms of layout, in terms of

cash layout. But more appropriate it would work if you could get the international community to participate.

Mr. Boyd: — Thank you. I think we agree with you with respect to the international involvement and how important it would be for a program of this nature to work.

You indicated that there is a substantial cost. Can you provide for the Assembly here this afternoon what kind of substantial cost we are looking at for a program of that nature on a provincial basis, just in Saskatchewan — on a national basis we recognize it'd be considerable more — but on a provincial basis what the costs of that type of program would be for Saskatchewan?

And what kind of participation would we be in a position to afford that cost-sharing which would be a normal 60/40, or is it something that you would want to negotiate differently?

Hon. Mr. Serby: — I think, Mr. Deputy Chair, what we can do is provide for the member some of the work that's been done on this piece because there has been some work done. I've recently received a presentation or a document paper from APAS (Agricultural Producers Association of Saskatchewan) who are recommending this is a model that we could look at, and certainly would want to make that paper available to you.

I'd like to also make available the documentation paper that was provided to me by the university just recently by the student body and by Mr. Rosaasen. And we have some work that we've done as well in terms of costing and looking at what the Canadian model only would look like and what the value of a program of that type would require. And then certainly could break that down into the kinds of participatory percentages that you would expect people to make.

I wouldn't be supporting on this side of the House for sure, if we were going to move down this path, the 60/40 arrangement with the federal government. I think most people believe that the federal government has abdicated a large part of its responsibilities in terms of agriculture, not only in Saskatchewan but in Canada. And so any time that we're looking at changing a framework or developing a new program, that we should be looking at different percentiles in terms of participation, and we'd be happy to provide you with some of the work that we've had access to or some that we might have done ourselves on this particular area.

The committee reported progress.

Hon. Mr. Lautermilch: — Mr. Chairman, I rise to ask for leave to introduce a motion with respect to allowing Mr. Fyke's staff to accompany him for tomorrow's proceedings.

Leave granted.

MOTIONS

Hearing on the Commission on Medicare

Hon. Mr. Lautermilch: — Mr. Speaker, I move, seconded by the member from Regina Lakeview that:

By leave of the Assembly, Mr. Speaker to issue an invitation to Mr. Patrick Fafard and Ms. Kathryn Dotson to attend before the Committee of the Whole at 2:30 p.m. on Thursday, April 19, 2001 in the Legislative Chamber in order to assist Mr. Ken Fyke with respect to questions concerning the final report of the Commission on Medicare.

Motion agreed to.

ROYAL ASSENT

At 16:59 Her Honour the Lieutenant Governor entered the Chamber, took her seat upon the throne, and gave Royal Assent to the following Bill:

Bill No. 202 - The Holocaust Memorial Day Act

Her Honour: — In Her Majesty's name, I consent to this Bill.

Her Honour retired from the Chamber at 17:00.

The Assembly adjourned at 17:01.