

EVENING SITTING  
COMMITTEE OF FINANCE

General Revenue Fund  
Social Services  
Vote 36

Subvote (SS01)

**Mr. Toth:** — Thank you, Mr. Chair. Mr. Chair, first of all I'd like to welcome the minister and his officials to the debate in estimates tonight, and look forward to a . . . I'm not sure if we'll get very spirited; it all depends where the minister goes. And maybe we can head us off in a direction while we wait to hear what the score is in the hockey game. We won't worry about that right now.

But this past week, Mr. Chair, the minister and his government were talking about the reduction in the number of people on welfare and receiving welfare, the services of welfare. And I think the minister went to great length to brag about their accomplishments. And I would have to say as I did last week, that I don't think there's anyone, certainly on this side of the House, that would condemn the government for working, at least beginning to realize, that for an individual there's a lot more value in having a good job rather than just coming to assistance.

And I've got a couple letters on my desk of people who in the most recent while ended up having to go to assistance for a while — and not because they wanted to — and this was the first time that they've ever had been put in that situation. But then the problems that arose as they went and sought the assistance of Social Services and the complications that arose as a result of some income that they were receiving, and at the end of the day when they were able to find employment again, all of a sudden find themselves with a bill on their hands as a result of what Social Services called overpayments. And we're going to get into a little bit of discussion in that at a later time.

But, Mr. Minister, I think you were talking of — I'm not exactly sure what the numbers were the other day — but if I go back to '94, '93-94, I think we were looking at something around 56,000 caseloads in the neighbourhood of about 80,000 individuals on assistance. And today, I believe that's caseloads, this is we're talking somewhere in the neighbourhood of 33,000 with individuals around 56.

And you talked about a number of areas that you thought may have had an impact in addressing the needs of individuals, who moving from assistance and actual . . . into some actual job opportunities.

And, Mr. Minister, a number of years ago when the Premier, the current Premier was sitting in your chair as Minister of Social Services, one of the areas we talked about at length was the fact that a number of the complaints that were being brought to my office and the office of my colleagues was individuals who would find employment, but they found that if they sought and actually found employment, and especially in rural Saskatchewan more than anything, most of the times they were

finding themselves on . . . they were finding themselves on a minimum wage.

And when they sat down and did the calculations, because they had their own employment, they had their rent bill to pay, they had their power, they had their heat that they had to cover, and their telephone as well as their health-related costs; and at the end of the day they sat back and said to themselves, now why in the world would I even try to struggle and survive at this job opportunity when welfare is actually looking after me much better than I am actually working at a job, even though I'd just as soon be working as to live on welfare?

And the discussion we had with your colleague, the current Premier, at that time was some kind of bridge financing to assist people as they actually got into the employment fields. And I believe one of the reasons we needed something of that nature was, for many of these individuals, that job may have been the first or the second job and they really didn't have . . . possibly in some cases they were lacking the training that was needed for the quality jobs that were out there. And as a result, they ended up with the low-paying jobs and found themselves trying to determine, should I just live off welfare or should I get into the workplace?

And I remember, Mr. Minister, when you were sitting on this side of the House and efforts were being made . . . and I think . . . to actually put people into the workplace and the condemnation that came from you and your colleagues about treating poor people in that manner, forcing them to work. But I think it's good to see, Mr. Minister, that your colleagues have finally realized, and maybe people on welfare have brought the point out very clearly, that they'd just as soon have a quality job as to live on welfare. So I'm pleased to see that we're moving in a direction that is beginning to put people, give people the opportunities to find the quality jobs.

And I think that bridge financing, the Saskatchewan employment fund, was certainly a positive tool because I think that that has been something that has assisted people in their application for a job, and finding that maybe the first job available was a low-income job but they had some bridging, they had some financing to help them meet the needs that they were lacking. They also, if I'm not mistaken, they get the health and dental benefits if they're under a certain level of income. And there's a couple of questions we'll get into in that regard as well. But that was bridge financing.

And then we had to go from there. And, Mr. Minister, I'm wondering what your department actually does and what social workers are doing today. I think I've mentioned this even last year, talked about the fact that I think social workers need to be more than individuals that just help people get a welfare cheque and are looked after when they are in need.

And quite possibly I think they would feel even much better about themselves if they were looked upon as not only someone out there to help somebody when they have a financial need but also an individual that could almost in some ways act as a counsellor and start steering them in a direction of maybe the education tools that would assist them — finding out what that person would be good at and maybe steering them into an

education forum or putting them into a job opportunity that would be the beginning of long-time, quality employment.

And, Mr. Minister, I'm just wondering exactly what your department is doing in that regard, what you have done just in the past year, the past few years, and what your objectives are for the future.

**The Deputy Chair:** — Before the minister answers that question, I'd ask the minister to introduce his officials.

**Hon. Mr. Hagel:** — Well thank you very much, Mr. Chair. And maybe I should begin with the introduction of the officials and then respond to the hon. member's comments and questions.

I think that when we get into our discussion here that we'll . . . as I think we found when we were last before the committee, the Social Services critic of the opposition and I, I think we have many common views about what works successfully. And we'll enjoy very much a dialogue about that.

If I can first of all introduce then the officials who are here to assist us in responding to questions in committee. To my right is the assistant deputy minister, Shelley Hoover. And to her right is the assistant deputy minister responsible for housing, Darrell Jones. And immediately behind Ms. Hoover is Don Allen, the executive director of financial management. And behind me is Phil Walsh, executive director, income support.

We're also assisted today by others who are behind the bar; I guess they're all behind the bar. We have as well, Larry Chaykowski, executive director of housing financial operations. Marilyn Hedlund, associate executive director, income support. Deborah Bryck, director of child care. Dorothea Warren, associate executive director of family services. Larry Moffatt, executive director, community living. And Barb MacLean, executive director of Saskatchewan career and employment services.

And I think that outlines the A team here tonight.

Mr. Chair, just responding to some of the comments and then proceeding to the question raised by the hon. member opposite. And putting into context, in fact it's fair to say, that exactly on the theme that we're talking about here since the committee last met, there's been an update of the numbers since the introduction of the building independence program.

And so since the building independence program was introduced with a combination of supports to help Saskatchewan families attach themselves to the labour market, we've had I think very significant reduction in our welfare caseload. Our caseload is down since that time by 8,400 fewer cases of people . . . sorry, cases, welfare cases.

Now in that will be a reduction of 6,000-and-some . . . nearly 6,000 families. And probably what's most exciting of all, I think, when we look at the objectives to tackle the issue of poverty, and then with a special concern for child poverty, is that what the numbers tell us now is that there are 13,000 fewer kids growing up on welfare today than there were at the time when we introduced building independence. That's very, very

significant. The current caseload — the hon. member referred to the level it used to be — is now under 31,000; 30,815 as of March to be exact, with some 56,000 individuals. And that's a significant reduction in the number of individuals, families, and, most importantly, children who are growing up in families with income security.

It has always been my view, going back even to the time that the hon. member refers to when we were on, when each of us was on the other side of the House, it has always been my view that the absolute most effective and also the most desirable form of income security is a job.

And it's why I've said a number of times that I am particularly proud of the achievement that we've been able to have here in our Saskatchewan as we decided by way of policy objective to tackle poverty with a particular focus on child poverty that . . . Contrary to some other provinces who said, when they set out to reduce their welfare numbers, that their solution was to give people a one-way bus ticket out of the province, we said, that's not our style here in our province.

Here in Saskatchewan our objective is to give people a ticket to employment, and believing that at the end of the day the supports that'll help with that transition will be the things that most effectively address the causes of poverty. And recognizing that the reality is not that kids grow up in poverty; kids grow up in families where their parent or parents live in poverty; that it supports the parents to make that transition to the world of employment, or if they're in the world of employment, to avoid having to make the transition into social . . . or into income security, I should say. That is in everybody's best interest.

Now the hon. member referred to the employment supplement program that we had some dialogue about in the last night. I do want to agree with his characterization that it is a program that provides some financial help to bridge . . . it's a tool to make that bridge to employment and, quite frankly, is a vehicle by which some of those expenses that come about . . . When you move to the world of employment from not being employed, and have children, to help deal with things like child care expenses is very, very helpful. And when he asked the question then, whether there are child benefits that are . . . that also come into play, the answer is a clear yes. The family health benefits are available to address the expenses of child health care for families who are receiving the employment supplement. So those two pieces are tagged together as supports for families.

Now to come directly to the question that the hon. member, Mr. Chair, concluded his comments with — what about the social workers then? What do the social workers see as their role? I'm pleased to say that I think there we've been making some very nice progress that I'm told, as I get around the province and talk to social workers here in the province, that I'm told is benefiting in some very real and direct kinds of ways.

We can get into some discussion. We haven't really had any discussion in estimates here yet so far about the phase 2 redesign of income security and some of our process of registration of people who find themselves in need in applying for financial support. And I'll maybe just make a brief reference to it here.

One of the things that we're doing is introducing what we call the jobs first program which means, in essence, that individuals who are capable of employment will find themselves then coming to a meeting to learn about their entitlements but which — say typically here in the city of Regina and will be parallels around the province — which is held at the Career and Employment Services centre.

And what we've been finding is that as . . . and I know the hon. member and I had a private conversation about this, I think it was last week, and I think it's worthwhile having the conversation in a sense out loud, on the record, so others can understand it too. They may not know that when individuals come then to the meetings at the Career and Employment Services centres, not only do they learn a bit about their entitlements as citizens for income security, but they also become familiar then with what I believe is the absolute best system of information and support for people who are looking for employment, looking for career development advice, and for employers who are looking for people.

In all of Canada I think, in the Career and Employment Services centres, I hear the 20 that we have around Saskatchewan are the best in the nation — the best use of technology and the use of the resources there. Because when they come to the jobs first programs, we're finding that in fact 30 to 40 per cent of the people who show up don't ever come on the welfare rolls because they're in fact finding the vehicle to get to the place that they'd prefer to be and I think everyone would see as best, and that's into the world of employment.

So we're helping to make that bridge there and hopefully as a result of that, helping people recognize that there is a long-time, lifetime resource for help in getting themselves connected to jobs that's anywhere in Saskatchewan.

(19:15)

Having said that, I just want to acknowledge as well then what I think is part of the wisdom in the reorganization, of bringing the Career and Employment Services into Social Services, as well as the housing piece into Social Services to enable us to continue to work to find some synergies to support people being independent and particularly attaching themselves to the labour market which is in their best interests and ours.

And what's happening as a result of this is that, I'm pleased to say, social workers are finding themselves having a bit more time because social workers are doing less pushing of paper and manipulation of numbers dealing with entitlements and are therefore able to do exactly what the hon. member asks about, and that's to spend some time one-to-one with their Social Services clients.

And what the process that we refer to that's happening in an increasing phenomenon here in the province, specifically because of training that we're doing and the developing of a bit of a shift in culture, is referred to as transition planning so that social workers are engaged with people of Saskatchewan on a one-to-one basis in helping them to plan for their own transitions to independence and as they do that, doing it on a strength-based kind of approach. So it's very much not social workers telling people what they should ought to do, but

helping people understand what their strengths are, and then assisting people in making decisions for themselves about their own lives where the social workers will be sources of information about resources, can make suggestions, and Career and Employment Services is very much a part of that picture, to assist people in moving to independence.

But just if I may conclude again on the Career and Employment Services, one of the things that happens there that's different from what we've traditionally thought as the old Canada Manpower centres, is that now when you come to the Career and Employment Services, what you have is a swat of computers. And for people who are not familiar with how to use the computer, there's somebody there that can help you learn pretty quickly and find the absolute best, most current information about employment and opportunities and in Saskatchewan where they are, what they pay, and all that kind of information that's very relevant for people who are job hunting.

And what that means is that the human resources, the people who are at the Career and Employment Services centres, then can dedicate their time to doing what's most valuable, and that's spending it with clients talking about, you know, what do they see as their vehicle to get to employment? What are the barriers between where I am now and where I want to be? What does that mean in terms of training and education, for example, and what kinds of resources, federal or provincial, are available to assist people to do those things.

And so that someone who's coming there looking for information, don't even necessarily talk to anybody if they know how to operate the computers — just go do that. In fact they don't even have to come in; they can go to a computer at home and come on-line. And I think I was told that last month that there was something in the neighbourhood of 600,000 hits, I think, on the Career and Employment Services line. So it's a resource that is being used frequently. But if they're . . . if people are needing the counselling kind of advice to do planning, personal planning, that's the place to get it.

And so if you're thinking about education, if you're thinking about work, and you don't know where to go, the answer is one place — the Career and Employment Services centres. If you're an employer who's looking for somebody and you don't know where to go, the answer is the same thing — it's the Career and Employment Services centres.

In addition to that also, the centres do have the ability as well to make refer . . . then people as well to some of our community-based organizations who provide employment training kinds of supports, which will tend to be at the basic skill levels or job entry kinds of levels, to help individuals do direct employment entry kinds of services.

So, Mr. Chair, I apologize for being so lengthy, but I get kind of excited when I get this kind of a question because I think there's some exciting things happening that are good for people. I don't think we've got it entirely cased yet, but we're working hard and I think it's fair to say we've made a lot of progress; and as a result, a lot of people have had their lives positively affected by the contact with the department.

**Mr. Toth:** — Mr. Chair, and Mr. Minister, thank you so much. One of the comments you talked about was access to benefits. And I believe individuals, even though not on assistance, can apply to Social Services for assistance if their income hits a certain criteria.

And I believe if on — what was it, Friday morning, if I'm not mistaken — you were on the Gormley show for a while. I just don't remember; was it . . . or Thursday or whatever, yes. A call came in from an individual who had called, indicating that their gross — in order to receive benefits it's based on your gross income rather than your net income — the result being they didn't qualify, and yet their net income was, actually ended up being quite low.

And I've got a letter in front of me that's much the same thing. The fact that with the benefits, health benefits, or accessing them being . . . any benefits from social assistance, I believe. I'm not sure if even your income . . . your income supplement, if that's affected by it. But if it's based on your gross — what the letter I have in front of me and it appears what the caller had indicated too — by the time all the deductions were taken off, they were well under what would qualify. That would mean what they actually had in their pocket to work with.

So I'm not exactly sure where your department is coming from or how they view this. Because if you're out working, and you and I know you're taking home a wage, but by the time your deductions are all taken off, what may be net in your pocket could be actually a lot less than what the criteria is to actually ask and seek assistance in those matters of some of the benefits, the health benefits especially, and the income supplement.

So what I'd like to know, Mr. Minister, is if there is something that your department has been looking at, the reasons why they would look at gross versus net. Because of the fact that I think what we're looking at is the fact of what people are actually living on. Everyone in this room doesn't live off their gross salary . . . would be awfully nice.

But the facts are we're living off of net, and if that net is actually below what the trigger mechanism is, maybe it's time we looked at the net because if you're looking at maybe 100 or \$200 below your trigger and you happen to be unfortunately in a situation where a child needs some additional medication or maybe you, as a family, you face extended medical costs, that what you find yourself in is then having to draw out of your limited amount of income just to meet the medical circumstances that befall you.

So, Mr. Minister, what I'd like to know is what your department has done, if you've looked at this issue, and if you've come up with a solution to the problem that a number of people have raised.

**Hon. Mr. Hagel:** — Mr. Chair, I think what the hon. member refers to — I state the obvious — is that gross is higher than net and that it would be preferable, if you have a number, that it's a net number rather than the gross number. And I understand that.

In putting the employment supplement — I think it's the Saskatchewan employment supplement that the hon. member is referring to — in establishing the employment supplement, it

was decided that the most effective way for people to deal with it is to set the income levels at gross simply because it's the simplest. We looked at income levels, and then from that determined what is, you know, what is the level of gross that provides you that net income.

But as the hon. member will be aware, people will register for the employment supplement by telephone. And so it's a lot simpler to do that process when you've got the gross figure because that's at the top of the income statement. Everybody knows what that is without missing things perhaps when you start to get into the different kinds of deductions and so on.

So the reasons of simplicity of understanding and for clarity, then it was decided that when the program was implemented to do it on a gross figure rather than a net figure.

And the other part of your question . . . (inaudible interjection) . . . We've both forgotten the other part of the question, but I'm sure we'll come back to it. Well if it's a good one, we'll come back to it, Mr. Chair, I'm sure.

It is also accurate then that the family that is receiving the employment supplement will receive the family health benefits. And the level of income that's used then is dependent on the number of children in the family so that it's a higher gross that serves as the cut-off line, so to speak, for each child, depending on the size of the family.

**Mr. Toth:** — Mr. Chair, Mr. Minister, thank you. That was the employment plus the health benefits.

Now I guess the question coming back, Mr. Minister, is whether or not the level you've set at or that trigger, if it's too low. If we're discussing gross . . . and I can see why you're arguing gross because a person knows exactly right off the top what they're going to be taking, what their monthly take-home pay, and everyone's deductions will be somewhat different which may create a bit of a problem.

But would there be any benefit in looking at whether or not maybe that trigger should be moved a little higher because you are using that gross figure? And I'm wondering, Mr. Minister, if you could give us what those trigger figures are as far as a family and whether or not we should be looking at maybe moving that a little higher. In relating it to the fact that if a family comes and actually has some extra medical needs that normally the average family wouldn't have, whether or not that has a bearing on how you arrive at this figure.

**Hon. Mr. Hagel:** — I thank the hon. member for his question, Mr. Chair. First, maybe let me talk about the income levels, and then the health benefits, and then the value of working.

Currently, if you are a family who has one child, then if your income is less than 1,996 per month, there will be employment supplement coverage of some level. The cut-off point is 1,996. And with each of these we have to then conclude by saying: and if you have employment supplement coverage, you also have family health benefit coverage for the kids. Okay?

So one child, 1,996 per month. So just about 2,000 per month if you have one child. If you have two children it's 2,172; 2,172

per month. Three children, 2,348 per month. Four children, 2,525 per month. So four children would be excess of 30,000 per year now.

And five children or more — and these are children under the age of 18, by the way — five children or more, it's 2,701 per month. So with five children that would be, if my math serves me correctly — and now we're getting dangerous here — but I think it would be about thirty-two four . . . it would be about 32,400, a family with five children with a gross income of 32,400. They wouldn't have very much but they would be eligible. They would be in the eligibility for supplement but in many cases, perhaps even more importantly, then they have the family health benefit coverage.

And you're quite correct. These can be families . . . we may be talking about a family that is currently on assistance, receiving income security and has got some supplementary income. Or this may be a family that is receiving no welfare at all but their income is completely and totally earned income, self-employed, or maintenance income and those are the amount figures then that will trigger that they are eligible for some level of supplement and then the family health benefit.

Now the employment supplement budget is \$1.3 million more this year, for a total of now 8,200 families, which is up from just over 5,100 in 1998.

(19:30)

So we think that there are still some families who are eligible. When you look at these income levels, we think there are still some families who are eligible that are simply not claiming it. You have to call and register. And we continue to advertise so that Saskatchewan families who are entitled can get that kind of protection.

Now the family health benefits that are provided then will cover the children's health costs. We can go into that in more detail if you wish but, to answer your question directly, the coverage is comprehensive. It's not a cut-off on it. If the kids are sick, then the kids are sick and they need health care, and that's what's covered for it.

And I think what's really most important in this discussion then is to understand the context, because what it really means is that here in Saskatchewan . . . and I think about this we ought to be proud because I think we're a little more progressive in our thinking here about how our social safety net, so to speak, supports people attaching themselves to the best form of income security which is employment. Because what this means is with the employment supplement and the family health benefit, families will always, always be better off working than not working.

Now the truth of the matter was, before we introduced this system here, that you could come up with lots of examples where families in fact would be better off not working than working. And let me tell you why.

Because if you had kids who had health problems — and in low-income families that's not an uncommon phenomenon. So if you had kids with health problems, with the system before we

did the reform of the welfare system in building independence, what that meant is in the real world if you had a chance . . . you were unemployed, for example, had no income, only social assistance with health benefits, and you had a chance to go to work, I could give you lots of examples where people would sit down with pencil to paper and say, now if I go to work — which does my dignity a whole lot of good, and does our family function a whole lot of good, and is for the benefit of my society . . . I think everybody would say, a positive thing, if I'm capable of doing that.

Many people would say, but when I look at the health costs related to my kids, what that really costs me out of my pocket, that I lose by leaving welfare, I can't afford to leave. I can go to work and I can earn money, and my family will be worse off for my doing that. We looked at that and we said, that's goofy. That's goofy. That doesn't . . . That's not the kind of social support system in an informed society that helps people do what they want to be doing and what society most needs for them to be doing which is working as much as they possibly can.

And so that was really in many ways what you're putting your finger on, I say to the hon. member, Mr. Chair. What you're putting your finger on is really the essence of what is the philosophy and the thinking behind the building independence program and I think we have evidence that it's working.

Just to go one step further, as I said too when I was doing the radio interview last week, and we talked a bit about where are people going when they're leaving the welfare rolls, we believe that the large per cent of them are going to work. Ad to state the obvious, they couldn't be leaving to go to work if there wasn't work to go to. And so one of the things that's been very helpful to us in this process is what's going on and the dynamics of our labour market that are around us in the province and in fact in the country today as the labour market is tightening.

I would make the argument, not only is this a program which is good for those families that have been low-income families traditionally, and many have lived outside the mainstream of employment, this is good for Saskatchewan — this is good for Saskatchewan. And as we look in the years ahead in the increased tightening of the labour market, Saskatchewan employers need people. And I think there is a wonderful opportunity for those of us who believe in the social justice of a representative workforce.

I would hope, and I think it's fair to say that that would be an aspiration that would be shared by most if not all who serve in this room, that the building independence program is doing the right thing at the right time and assisting people making that transition to work. For some it's their first job and we all started our first job, again to state the obvious, and you go from there. There's nothing wrong with first jobs. They have to get that before you get your second job and that's the way careers go.

And so, Mr. Chair, I thank the hon. member for his question and the opportunity to emphasize that with the support programs we have that it means that always, always, always the family is better off when they're working. And that's I think a criteria of an effective social support program.

**Mr. Toth:** — Thank you, Mr. Chair, and Mr. Minister. Mr.

Minister, maybe it's a little unfortunate that there weren't a few more positive messages coming out when you were on the opposition side of the Assembly. I know that . . . because when we talk about it . . . like I indicated earlier many times because we haven't acted totally as strongly in opposition — as I've been told some times, you're in opposition to oppose — but obviously some of the suggestions that have been brought forward in the past, in the past eight years about some bridging has certainly, as you've just indicated, has certainly proven to be a benefit.

And we look forward to the time when the tables are turned and a party that believes people should continue to work and continues to build on that is given the opportunity to just show how it can even . . . maybe even work a little better than it is today. But I think it's important, Mr. Minister, and you've said it, it's important that we give people the tools and the opportunities to actually find gainful employment.

And one of the reasons I wanted to touch on the Saskatchewan employment supplement and health benefit, I remember some of the debate we had — it was about two weeks ago in this Assembly on private members' day regarding social assistance — and one of your colleagues brought forward a motion complimenting the government on their efforts. And I believe, and I don't just remember which one, one or two of them actually talked about phone numbers for people to call if you think you might fit within the guidelines, and you've given us a bit of an idea tonight of where an individual might be.

And if they happen to be under that income and they find themselves struggling, certainly there is every indication that there is an opportunity for some other additional bridging assistance till that they can move to that higher quality job or paying job.

But even today, Mr. Minister, last fall our leader forwarded me a letter from a lady, a single mother with three sons. And to be honest with you I had a hard time understanding how someone who is making just over \$28,000 would be thinking well, you know, I'm struggling. But when I look at your numbers here, she's just over what a family with three dependent children would fit under to actually qualify for some of the benefits.

And she mentioned she just . . . so happened in that case was a child that needed additional medication due to some health problems, and then of course, by the time she paid for that and all the other payments that she was covering, like her housing and her utilities, there wasn't a lot left to provide . . . get her children into . . . Her sons really wanted to play hockey, and you know what it costs to put a young fellow on skates these days and suit them up to go and play hockey with their peers.

It's not just getting them some skates and some equipment, because there are avenues that can be certainly pursued to find equipment for young people to play hockey. It's a matter of the transportation and getting your child to the hockey games and back two or three times a week. So those all add up to be part of the cost.

But I think what we see here is, while the levels seem to be high enough — and I think any one of us at a first glance would say, you'd ask yourself well how come somebody can't survive at

that level of income — but it's just the cost of living today that puts people behind the eight ball.

So, Mr. Minister, you mentioned 8,200 families actually currently receiving the Saskatchewan income employment supplement. What are you paying, what would it come to a month for families that work right now? What's the average, and would that have increased over the last three years? Has there been a notable increase per year at the monthly employment payment?

**Hon. Mr. Hagel:** — I thank the hon. member for his comments. Again just to start at the same point he started, Mr. Chair, I would recommend that he not be too enthusiastic about lining up the moving vans just yet in terms of people being where they are. But I do want to say to him, I guess, you know, we can all engage in the political rhetoric and go back and say whose good idea is this. And God bless us all if we can all claim that it was our good idea. I mean that's the best-case scenario. At the end of the day when you've got a good idea, it's much more important that it's implemented than who claims credit for it, and that's the critical thing.

Just to comment about the circumstances of a family with three kids: \$28,176 would be the cut-off point for employment supplement for the family with three children. And what may be most significant, and it may be . . . it's not our place on the forum here of estimates of committee to deal with particular cases. But it may be that for a good number of families the significance of registering for the employment supplement may not be the dollar support itself. For example, if you're making \$28,000, there won't be much by way of employment supplement dollars that you're receiving, but the really important factor for many families will be though that you then also qualify . . . it's the family health benefit because if you're receiving any employment supplement at all, then you've got the full child family health benefit.

And that will be, I think in some cases, it's important for families to keep in mind, when they have high expenses, that if those expenses include children's health expenses, they may say oh, what the heck, it's not worth it to me, I'm not going to hardly get anything because I'm right near the cut-off line.

My advice is apply anyhow. It may not be much, but it is just as valuable as dollars paid to help meet your costs to have family health benefits covered that aren't covered under the medicare program. So I think that's a worthwhile piece of advice for all of us to keep in mind as we're dealing with constituents.

On the specific question of the average amount of financial benefit then, received by Saskatchewan families under the employment supplement for the last three years, start then in the year '99-2000, it was \$147 per month average; 2001 — it was \$148 per month average; the last fiscal year, '01-02, was \$183 per month average. And in the current fiscal — that's the last three — in the current fiscal year we're forecasting so far, based on our numbers, looks as though we're going to be about \$190 per month average direct financial assistance to families who receive an employment supplement.

Again I want to emphasize that above and beyond that then, not counted in that, is the value of the family health benefits which

for some families will be very, very significant. And just also maybe to put that into a context, in '99-2000, 5,839 families at that time; today, 8,200 families.

So Saskatchewan families are learning that employment supplement is there. Many of these families have never been on welfare and it's helping them to make, you know, make ends meet. And that's exactly what the system is there to support them. And we've moved from a budget in '99-2000 to 15.2 million to projected budget this year of 18.2 million.

(19:45)

**Ms. Bakken:** — Mr. Minister, I just have a couple of questions. First of all, we've been talking about help for those that need assistance. And I had a constituent of mine who was not on social assistance but who was just making ends meet. They wanted some help to go to a specialist in Saskatoon, and what they needed was dollars for travel, and they did not want to go on social assistance and did not feel they needed to, but they just did not have the funding available to them to make this trip.

When they went to Social Services in Weyburn, they were told no there is no funding for this. If you want to apply to go on social assistance, we can look at that, and if you are on social assistance then we would provide funding for your transportation to Saskatoon to a specialist, but if you don't, we will not give you anything. Could you please explain that to me and why that policy's in place.

**Hon. Mr. Hagel:** — To the hon. member, again I know that it's not appropriate for us to be dealing with specific cases on the public record and I think what the hon. member is asking is a . . . I'll interpret as a policy question. Yes.

In response to her question, let me say two things: one about the employment supplement and one about social assistance benefits and there being cut-off lines. Just following up on our conversation I was having with the hon. member's colleague from Moosomin, what may have been . . . I don't know but should have considered at least by that particular family was eligibility for the employment supplement. They may or may not, depending on the income. If you knew what the gross was and the number of kids, we could tell you whether they'd qualify or not.

But if families are eligible for the supplement, there's no — now I'm talking about the payment itself — there's no requirement to use it for a specific purpose. It's just money to assist with meeting family costs.

So point number one, in that circumstance I would always say to any family, if you're pressed for financial needs and you've got another, you know, pressing need and your money is not large enough, first of all check out the . . . phone and call and see if you're eligible for the employment supplement. If you are, then that kicks in and that'll come to you.

In addition to that, there's a family health benefit which will not provide travel costs for health appointments, but it may in fact cover some health costs that then otherwise when you have to pay for them free up the money to do that. So sometimes there's more than one way to approach solving a problem. So that

would be my first approach if they were approaching me or if they approached you to say, look at the employment supplement.

Now on one of the protections that is provided then under the Saskatchewan assistance program, I should say, the assistance program or income security — welfare, then will be the means to have transportation to get to your medical appointments. And that will be targeted specifically to go to specific medical appointments. And it's there because for those whose incomes are low enough to qualify for welfare, those are pretty low incomes. And so when those extraordinary costs arise, the reality is that it's extremely difficult if not impossible to get to a medical appointment if it's in another place, unless you have the means to do it. So that's why the benefit exists.

As I suppose with any program, there is a cut-off then at some point above which you no longer qualify for welfare because your income is higher than that — good for you. If it's lower than that, then by virtue of the provincial taxpayers, you have the funded program and then the benefits apply. And I suppose the fact of the matter is, no matter where you have that line, it's always somewhere, and there's always someone then who will be just above that, that which may occur in some cases.

But the reason for the support for transportation for health appointments for people who are welfare recipients then is because in that case it's their only means in reality to get there. And again then for a family who is fortunate enough that their income is higher than that, that qualify for welfare, please check out the employment supplement because there may be assistances that are available to you that you just haven't been taking advantage of.

We, the Saskatchewan government, has no vested interest in trying to have anybody who's eligible not take advantage of a program. It's there to support families in need and help them in difficult times to meet their family expenses.

**Ms. Bakken:** — Thank you, Mr. Minister. Just to follow up on that then, if a person, in the case that I'm speaking about, went to a Social Services office and indicated to them their concern and their problem, would the Social Services workers tell them about this problem or do they have to know about the program and ask about it?

**Hon. Mr. Hagel:** — No, they would tell them about the employment supplement. But there will be many people of course who won't actually go to a Social Services office and who can just phone and register.

**Ms. Bakken:** — Thank you, Mr. Minister. On another point then, I was speaking with a gentleman that works in the field of addictions, and he has on many occasions need for or works with people that have need for emergency assistance. He brought to my attention that now you cannot just go into a Social Services office and apply for emergency assistance; you must phone ahead for an appointment. His concern is that many of the people that are in need of emergency assistance do not have access to a telephone.

He also indicated that people have gone directly to the offices and have been told that they have to go elsewhere and phone

back and make an appointment, that they will not be looked after at that time. Could you tell me the rationale behind this?

**Hon. Mr. Hagel:** — Mr. Chair, to the hon. member, first of all, one of the things that's happened as a result of the income security redesign to make the whole process more effective is that we've implemented the call centre, and that's . . . so that's what you're referring to when you're saying that someone has to register by phone. And the call centre enables us then to do a good job of collecting information, referring people to the appropriate route quickly, and also doing a quick assessment of their own needs.

Now if someone goes to a Social Services office, because that's the way it's traditionally been done, and they get there and they find out, oh you have to phone, there will be . . . there is a phone available that they'll have at the Social Services office that they can do that from there. So even if somebody doesn't have a phone and they find themselves traditionally going in there, they use a phone and will register.

Now if someone indicates when they register, just tells the person who takes the call — and these are all trained Department of Social Services personnel — if they indicate that it's an emergency circumstance, they'll make an appointment for them right away. So it should ought not to be the case that someone in a true emergency doesn't get an appointment right way, and it should ought not to be the case then that someone who doesn't have a telephone will, you know, will be unable to register because they'll facilitate that through the Social Services office if they don't have another more convenient way of doing it.

**Ms. Bakken:** — Thank you, Mr. Minister. Well I . . . my understanding is this is not happening in Regina and it might be a good point to inform the people that are working at Social Services offices that this is the way it is to be handled. Because it's my understanding it is not being handled like that today.

I just have one more area I'd like to speak to you about, Mr. Minister, and that's the area of mental health. And first of all before I go into that, I would like to ask if mental health services are under the Department of Social Services still or if they are under the Department of Health. And if they aren't yours, I'll leave it.

**Hon. Mr. Hagel:** — I thank the hon. member for . . . first of all to respond. Here in Regina the current standard is if somebody's just calling in normal circumstances, the current standard is that they would get their appointment within two to three days. If they call in and indicate that it's an emergency, then they would get their appointment tomorrow if they were calling in today. So it would be the next day for an appointment there.

So if the hon. member is aware of someone's experience which is different than that, then I'd appreciate knowing of that. I'd welcome that. Sometimes I think too what may happen is that because it is call centre, as is the case with all call centres, the phones stack up. And so if when you phone they're all busy at that time, then you will get a . . . I guess a recording . . . a busy signal or you'll get into the queue.

And what I think happens unfortunately sometimes is that people, not realizing that, will hang up and then they'll phone back. And if so . . . Advice is if you're talking to anyone, to ask them to pass along as well, just hang in there because if they're all busy you just keep getting closer as the call centre person can take the next person.

Mental health services are not under the Department of Social Services and so I'm not in a position to entertain questions in that regard. Thank you for the questions.

**Mr. Toth:** — Thank you, Mr. Chair. Mr. Minister, coming back to travel assistance, I had an inquiry recently from an individual who is in some ways volunteering his time to take people to some medical appointments, but felt that if he didn't volunteer that time, and while he's volunteering, he felt that it . . . it was costing him money as well and he should be at least able to qualify for some financial assistance.

I think he said he was receiving something like . . . I'm not sure now — 15 cents, 15 cents a litre, 25 cents a litre. I'm not positive whether or not there was for health. But I guess what I'd like to know is, is there a policy in place if someone actually does call and needs assistance to get to a medical appointment and you can call on a volunteer, versus if all you've got is a social worker and this person is on assistance and actually needs to get to an appointment that worker would probably be receiving the government rate?

What's the policy when it comes to people on assistance needing travel help to get to medical appointments?

**Hon. Mr. Hagel:** — Thank you, Mr. Chair. To the hon. member, the policy is this, is that a social assistance client makes a request for the transportation to attend the medical appointment, for example, and based then on the distance, the funding is provided directly to the client. My officials don't have the . . . I can't be precise.

Just a second, I can be precise. I was just kidding. Okay. I was just kidding. I can be precise.

The hon. member I knew had confidence that if he waited long enough the answer would come through. And the current rate provided is 18 cents per kilometre when a driver is required, except when driving a member of the family unit and it's 13 cents per kilometre for a private vehicle.

So the funding is provided to the recipient and then he or she makes their own arrangements. And whatever arrangements they would use, they're responsible of course for their own arrangements and the department doesn't do it for them or doesn't take them somewhere. It provides the funding and the recipient then would use whichever is the appropriate level of funding, 13 or 18 cents per kilometre, to make their own arrangements to get to the appointment.

**Mr. Toth:** — Mr. Minister, what do department officials or social workers receive for travel assistance per kilometre?

(20:00)

**Hon. Mr. Hagel:** — The fact that . . . we had a little difficulty

coming up with the answer because the fact of the matter is it is not very often that social workers drive their own vehicles. The large, large majority of the travel that workers do in carrying out their duties is to use the pool cars that are available.

I believe the current rate is . . . it is either 32 cents, or I think it may have just recently changed to 34 cents. I'm not absolutely positive which of those two it is, but I believe it is currently 34 cents per kilometre if a private vehicle is used in carrying out duties of the job.

**Mr. Toth:** — So, Mr. Minister, if indeed you've got a welfare client who actually needs assistance, transportation assistance to a medical appointment, he had no other alternative, and I don't know which form you would choose, but if you said, for example, no other alternative but the worker driving their own vehicle, they'd receive the rate of 32 cents. But you're asking private individuals, you're offering them only 18 cents. It seems to me, Mr. Minister, that that isn't quite fair, and I think that was the point the individual was trying to raise, that they're trying to provide a service and they felt that they should be treated a little more fairly.

One of the other problems I think though that may be cropping up here is the fact that if the welfare recipient makes application for transportation for this medical appointment, and the funding goes direct to the recipient, then there's no way of the person who provides the travel of maybe even knowing exactly what they're getting because there's no guarantee, I would take it, that that recipient or client can actually pass on, they could pass on, can you drive me for 15 cents a litre or whatever the case.

And I think that's where part of the fault is. It seems that there's too much of a disparity between a private vehicle versus someone who may be a caseworker who may — and I don't know if this happens or not — but if they were forced to . . . you needed to address a medical situation that was immediate. And the second thing is payment exacted directly to the client that may never actually, all of those funds, reach the hands of the person who provided the care. So I think that's something, Mr. Minister, that was brought to my attention. I think that was the argument that was raised.

And having said that, I go to another argument. And that is how the power and utilities are covered and rent is covered. If I'm not mistaken now, cheques are made directly to the clients. And I don't know if . . . I think there was one time, and maybe it still is, where the client and the lessor, lessee, where both had both names on the cheques. And it's been raised just recently with some where the — and I think we had a discussion or I talked to your office maybe last fall in fact a little bit about it — where the cheques are now going directly to the client.

What people are running into is they're not being paid their rent money because the . . . and even utility companies; it creates a problem for you and I as MLAs (Member of the Legislative Assembly). All of a sudden we've got the landowners coming and saying, well I need my cheque or otherwise I'm going to evict this person. We're trying to beg them to hold; well it's 40 below, would you please give them another night's rest or whatever, even the gas or power.

So, Mr. Minister, I'm wondering what the policy is currently,

what the department is doing to guarantee that landlords and the utilities actually receive their payments.

**Hon. Mr. Hagel:** — I thank the hon. member for both of his questions. Let me respond first of all to the travel question.

I think it's fair to say that there is a difference in the philosophy in the arriving of the two numbers. The 18 cents per kilometre's being provided in essence to cover out . . . direct, out-of-pocket expenses for a very specific amount of travel to be done. And it's not intended to be . . . no one's pretending that it's intended to cover more than just the direct, operational, out-of-pocket expenses related to travel, which will be a different standard if someone is using their private vehicle on a regular basis.

That's why I say we had to scramble a bit to come up with that. Because when that system is used, it's intended to provide for the long-term operating costs of a vehicle, which is more than just a direct operating costs — gas and oil — but it's maintenance and tires and depreciation and wear and tear and insurance and all those sorts of things and I . . . that would enter into the calculation for an employment rate for employees who are regularly using their own vehicles. It's for that reason, it's felt to be more cost-effective that the department doesn't do much of that and provides pool vehicles that Social Services staff would use.

Now going to the shelter, there has been a recent increase within — by recent I mean within the last few months — increase in shift of assuming of responsibility and the importance of that. When we talked before about the building independence program, it is a program that is based on the assumption or the basic philosophy that it is a healthy thing that policies related to acquiring income security support independence and taking of responsibility for your own life and managing your own affairs — and so too, in my judgment, should good social policy when it relates to income security.

It would not be our objective to create a sense of dependency on the system, so to speak, by having people's benefits being tied to, in effect, the rules, making their decisions for them in managing their lives for them. And it would be my judgment that it's good healthy social policy then when people who are on tough times, facing income shortages, are being assisted as a result of taxpayer expenditure, that they're also doing it in a way that . . . And there's no apologies for wanting to do it in a way that supports a sense of dignity, but also that supports independent financial management because at the end of the day that's what serves the individual best and that's also what serves the province best.

And so there has been a shift in emphasis so that based on the belief that most clients are capable of managing their own affairs — I say most, I don't say all — and that budgeting and money management are important skills for independence, so our policy, in my judgment, should reinforce and support that.

What happens is that the department then will screen clients to determine whether they're ready to pay their own bills, including rent and utilities. And if the client is someone who is experiencing problems in that area, then arrangements can and will be established for options like joint payment that you refer to — that's one option — or the use of a trustee which is

sometimes used. And we also want to acknowledge that landlords are an important part of this picture. And if a landlord is aware of a client experiencing difficulty, they may contact the department and, as a result of that, the social worker will review the circumstances related to the client and will develop the appropriate plan of action.

Now just to give you an indication as to how frequently . . . So as we implement this, I think we're moving rather cautiously and prudently. We're wanting, as I say, to reinforce good money management and financial management. That's a good, healthy thing for clients.

In the previous fiscal year, there were 21 per cent of social assistance clients who were receiving the money directly themselves. The other 79 per cent were a different arrangement that you referred to. The number who are currently receiving the direct payments themselves is 30 per cent. So it's by no means the . . . it's still less than a third of the total. There is a movement towards supporting the rights to make independent decision about management of financial affairs, and I think that's a good and healthy thing. It's still a long way from being the majority circumstance, and that's the status as we are today.

**Mr. Toth:** — Mr. Chairman and Mr. Minister. So, Mr. Minister, what you're saying is if a landlord is finding that they're being somewhat shortchanged, the funds aren't all coming through, they can contact the department and ask the department where their payments are, their rent payments, agreed-to rent payments are, and at that time then the department will then do a follow-up and see whether or not the client has actually been making the full rental payments. Is that what I understand?

**Hon. Mr. Hagel:** — Yes, that's correct. That's what will happen. And then the social worker will use his or her judgment and then proceed as they see appropriately in terms of the client's plan, wanting to support the financial assistance being used to support the person's real living costs, and at the same time wanting to support the healthy objective of the client developing their own responsible financial management. So you can't predict the outcome of the conversation in advance, but clearly if a landlord would make the call and say to a worker that this person has not been meeting their expenses, then that would trigger the social worker raising that issue and addressing it with the social assistance client.

**Mr. Toth:** — Mr. Minister, what happens in the cases of utilities? If your power and SaskEnergy or your telephone find that the cheques aren't being made, would the utility contact the office or does the client just find themselves without either of the services at some time or other?

**Hon. Mr. Hagel:** — It could happen either way.

**Mr. Toth:** — Mr. Minister, recently you received a question regarding your department about rate increases, service fee increases, and other increases in charges. In your answer you mentioned something about a graduated rent scale being introduced for calculating social housing rents. Now are we talking of a higher level of rental or shelter allowance available or what exactly are we talking of there or . . . just the cost of housing, what exactly are we related to there? Are the shelter

rates actually increasing to recognize the higher cost of rental fees?

**Hon. Mr. Hagel:** — To the hon. member, Mr. Chair, the graduated rent scale is related to the social housing units that are provided by Sask Housing and so this isn't related to the shelter allowances in the social assistance program.

**Mr. Toth:** — Mr. Minister, regarding the shelter allowances, are those changing at all?

**Hon. Mr. Hagel:** — The answer is no.

(20:15)

**Mr. Toth:** — Mr. Minister, we originally started talking about the reduction in the number of cases, the number of individuals. We talked about families, the number of families, that have actually moved off of the assistance programs.

And I'm wondering, Mr. Minister, if you could actually indicate what the actual numbers are. And you talked about, I think you indicated something like 8,400 fewer people, and I'd like to know what time period that is because I think there was — was it just a week or a little while ago — we talked about a reduction of 4,600. But in the overall scheme, even if we go back '94, '95, what were the number of caseloads at that time and the individual families? And not necessarily up to today, but what we were in 2000, and probably we maybe could go right to the most recent numbers versus the last annual report.

**Hon. Mr. Hagel:** — I apologize for the numbers changing, but they're changing because they're getting better. It's also changing, of course, because they're being updated. And when we last met, then what I was reporting to the committee at that time were numbers that I think were nearing about six months old or so. And the current numbers released last week then are current as of March of 2002.

And so comparing March of '97, the numbers I'm using then are pre-building independence. So March '97 to March 2002, in that period of time, the number of cases of people — welfare cases — that are open is down by 8,400.

Of those 8,400, 6,000 of those are families. So I guess the remaining 2,400 would be single individuals. So we're down some 2,400 single individuals, down 6,000 families, and then as I said as well, within those families there are 13,000 kids. So it's accurate to say that today there are 13,000 fewer kids growing up on welfare than there were prior to the introduction of the building independence program in 1998.

**Mr. Toth:** — Mr. Minister, what were the actual numbers in March of '97 — cases and families — and March of '02?

**Hon. Mr. Hagel:** — Mr. Chair, to the hon. member, I don't have the precise March '97 numbers here. I can give you the precise March '02 numbers and I can also give you the March '94 numbers if you want those.

When we were releasing the numbers last week we were . . . I was reporting then on year over year, and I was reporting since '94. And so we're . . . and I'll provide to you tomorrow the

precise March '97 numbers if you'd like them.

But in March 1994, there were 41,058 cases. In March of this year it's 30,815. So a reduction of 10,243 or a reduction of 25 per cent.

In March of '94 there were 83,000 people. And I think these were some of the numbers actually that you were referring to earlier, I say to the hon. member, Mr. Chair, through you, earlier in the estimates. In March of '94 there were 83,000 people then . . . 83,120. In March of '02 it's 56,074, a reduction of 27,046 fewer people receiving social assistance and a reduction of 33 per cent.

And then in terms of children: in March of '94, 34,103; in March of '02 — okay, here we are — in March of '02, 21,938; and a reduction of 36 per cent fewer kids — 12,165 by these numbers.

I do have the March '97 here now. We've been able to find that in the tonne of paper that we brought with us. In March '97 then there were 39,235 cases. And at that time beneficiaries . . . 79,908 actual people who were in households that were receiving social assistance.

**Mr. Toth:** — Well thank you, Mr. Minister, and Mr. Chair. Mr. Minister, I'd have to say those statistics are fairly impressive. However, one would have to ask where are . . . where is everyone?

You talked a moment earlier about people being handed a one-way bus ticket out of the province in order to get them off assistance. We've seen, and by the annual reports I see that as well, a significant number, a decrease of the caseloads and the number of individuals on assistance, and yet the statistics in this province are lower than they were a few years ago. The number of jobs that are available to people are, as well, Mr. Minister, are down.

And so one would have to ask exactly where is everyone that was on welfare. How many of these . . . how many of these individuals actually themselves packed up their bags and left the province? And I'm not exactly sure whether your department finds everyone . . . follows everyone on assistance to find out where they went, whether they actually found a job in the province, or with the number of people . . . number of . . . the population actually decreasing and the number of jobs, that we have fewer jobs here in the province.

And then with these reductions, something isn't quite adding up here, Mr. Minister, as in regards to where people are actually going and are they all finding jobs. Or are we transferring some of the people that were on welfare, are they ending up in educational programs? Are they ending up on student loan programs as they further their education so therefore they're not in the welfare numbers?

I wonder, Mr. Minister, if you can kind of give us an idea of how we have accomplished this as the province has actually shrunk and the opportunity to work has shrunk.

**Hon. Mr. Hagel:** — Well I very much appreciate the question actually, and the answer is some of all of the above, I think is

the complete answer. But I think it's fair to say, as I said earlier, people couldn't be leaving to jobs if there weren't jobs to leave to.

And one of the things that sometimes we're inclined to not recognize is the reality of what's going on outside of the agricultural sector. I think we are all, I think, very, very sensitive in this Chamber to the significance of the agricultural sector on Saskatchewan and how things are hurting on many farms and the fact that there's been significant decline in employment related to the agricultural sector.

But the other side of the coin is that outside of the agricultural sector there have been a number of things that are really happening that are very helpful to us in making the transition from welfare to employment.

Since 1996, outside of the agricultural sector — if I remember correctly — there has been a growth of 33,500 jobs. And that's been . . . that's province-wide. There's been significant growth in the oil and gas sector, and in construction, wholesale and retail trade, in the accommodation and the food service industry. So when you put those together that's a big chunk of some 33,500 jobs.

And in the two larger cities of Regina and Saskatoon, in the last year from March of '01 to March of '02, there has been an increase of 8,300 jobs in the last year alone. So those are real jobs and they need real people to work at them.

Now the hon. member is quite correct when he says that we don't have a precise follow-through tool; because when people leave social assistance, of course, they're not required to report what they're doing, so we can't say . . . we can't be precise as to exactly what people are doing. But there will be some who will have moved to training, and as part of building their academic qualifications and going on then to, in many cases, to post-secondary and so on. So there will be some in that category which would be in the range of . . . we'll see if we can get an estimate there. But it'll be a small percentage of the total.

In terms of student loans, it has long been the case that if you were receiving a student loan that you weren't eligible for assistance. So nothing's changed in the policy there.

What I think is worthwhile to note, is that over the . . . our numbers have been going down for a substantial time. The reductions have significantly increased since the introduction of building independence. And in my judgment, the income security redesigned phase 2 is also contributing once again to reductions in numbers.

And so the fact of the matter is, when the Saskatchewan population numbers are increasing, our welfare numbers have been going down. When Saskatchewan population numbers have been steady, our welfare numbers are going down. And the fact of the matter is — one more update since the committee last met — is that as of March, we have now gone 88 straight months in which our welfare numbers have reduced. By that I mean year over year, March over March of the previous year.

So we've gone over seven years, 88 consecutive months, in which our welfare numbers have gone down. So that's not a

coincidence or if it is a coincidence, it's the longest doggone coincidence I've ever seen because that coincidence is running over seven years now. So the fact of the matter is that policies I think have contributed to the reductions in numbers.

It's also interesting when we look at the . . . what's going on in some of our centres where we're able to look at the experience of participants in Yorkton — looking at Yorkton, which is the first centre here in Saskatchewan — where a year ago we started to implement the pilot of the phase 2 redesign and the introduction of jobs first, so Yorkton is the centre that's had the most experience. And in January in Yorkton, 39 per cent of the jobs first participants were working six weeks later. In February . . . or February participants in jobs first, 50 per cent were working six weeks later.

So those are indications, Mr. Chair, that say to me that there is absolutely no reason to believe that the numbers are indicative of anything other than people transferring from welfare to employment. There will be some who are transferring to . . . Some of the numbers that I can give you that will also indicate that as well is that — this would be in the last year — that there have been 3,400 opportunities — JobStart, Future Skills — that people have moved to, so those are real jobs, and 2,660 through employment programs who have moved to employment.

**Mr. Toth:** — Thank you, Mr. Chair, Mr. Minister. Mr. Minister, one of the disturbing facts, however, despite the reduction in the number of people on welfare, is the fact of the number of people who are hungry in our country, and certainly our province is no exception. A headline in the most recent paper talks about . . . in fact, on Friday's paper:

The numbers are pretty staggering and upsetting. It's a Canadian tragedy that hunger and the need for food banks are increasing in this country.

And the numbers are staggering and quite upsetting. This announcement was made at the Regina Food Bank where they talked about a joint program and collecting, I believe, cartridges from, used ink-jet cartridges and reprocessing them — just a means of actually generating some funds for the Food Bank. But the realities are the Food Bank is still struggling to keep its shelves full on many occasions, and I've been down to the Food Bank here in Regina, and I must compliment them for the fact that they've gone beyond, in most cases, just handing out food hampers.

(20:30)

One of the things I think that was a positive move, and I believe it's better than a year ago, where they put in four small kitchens just so they can begin to train people. While they handed out the hampers, if people didn't know how to actually create a meal, that hamper wasn't much of a benefit. So I think that was a positive example of reaching out.

And Souls Harbor Mission here in the city as well, Mr. Minister, has been having difficulty just meeting the needs of the individuals who come to its doorsteps.

So while we talk about reducing the . . . while we talk about the number of people being reduced on the welfare rolls and this

comment here:

In the past year, demand has increased at the Regina and district Food Bank. Approximately 80 tons of food are handed out monthly to feed between 8 and 10,000 people. Approximately half are children.

Mr. Minister, one has to ask if indeed we're finding fewer people actually needing the services of social assistance, more people actually working, why are we finding the food banks actually continuing to have to meet such a large need, organizations such as Souls Harbor continuing, I believe almost on an evening basis of feeding over 300 people on an on-going basis. It would seem to me, Mr. Minister, that we should actually find the need for these services to begin to decrease rather than even just holding their own if we're actually meeting the needs of hunger, and people themselves are finding gainful employment, and we're seeing the reductions in the caseloads that you're talking about.

**Hon. Mr. Hagel:** — The hon. member, Mr. Chair, and I are having a good time here, and I'm afraid that all good things must eventually come to an end, and this is just about it, but if I may just, before moving into Municipal Affairs, if I may respond very briefly to the question the hon. member raises.

It was, as a matter of fact, in February I think it was, that I was over to the Regina Food Bank here, and I certainly concur there's some excellent support programs that are running out of the Regina Food Bank. And interestingly, and I was there to in fact help to enhance that with an announcement of some support for a child care centre that helps with the meeting of child care needs for families who are coming and getting other kinds of training and supports.

And it was quite interesting because we were talking there about this very phenomenon, the reduction in the welfare caseload in the province of Saskatchewan. And what I found interesting . . . This kind of comes, Mr. Chair, to the phenomenon, if the glass is half empty or half full.

But when we were there I was talking about the reduction that's been going on province-wide. And we had an interesting discussion after the formalities were over, where some of the officials of the Regina Food Bank were saying to me . . . they said, you know, it's interesting that you say that, minister, because we see the effects here.

The fact of the matter is — and the Regina Food Bank does a very good job of keeping stats — is that in the year 2000 their growth in terms of use, compared to the year . . . Sorry, in the year 2001 the growth of Food Bank use compared to the year 2000 had increased by less than 1 per cent. And what they were saying is that that is the smallest change that they have seen ever, I think, in the Regina Food Bank.

And so they were saying to me that they certainly saw an indication that something was changing and that they were seeing the impact of that by the fact that the growth in the use was negligible and less than 1 per cent.

So is the glass half full or half empty? I guess it depends on your point of view. The folks at the Food Bank thought that that

was an encouraging sign.

Mr. Chair, I think that the time has come to move along. There's different ways of doing different programs, and in this one we do it with a motion. And so, Mr. Chair, I think we have an agreed upon understanding that we will now move to estimates for Government Relations.

And so therefore, Mr. Chair, I would move that the committee report progress on Social Services and move to Government Relations.

I want to thank the hon. member for his questions. I appreciate the dialogue tonight. This is an important discussion we're having. And I also want to thank the officials for their support here tonight in providing answers to the questions.

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

**General Revenue Fund  
Government Relations and Aboriginal Affairs  
Vote 30**

**Subvote (GR01)**

**The Chair:** — I recognize the minister to introduce his officials.

**Hon. Mr. Osika:** — Thank you, Mr. Chairman. I'm pleased to introduce, once again, Mr. Brent Cotter, deputy minister; Larry Steeves, who is the associate deputy minister who is on my right here; John Edwards, who is the executive director of policy development; Russ Krywulak, who is the executive director of grants administration and provincial municipal relations; Doug Morcom, who is the director of grants administration; and Wanda Lamberti, executive director, finance administration and information technology. And as well this evening I have Marj Abel, who is the director of finance and administration, and Ralph Leibel, who is the manager of community planning.

Thank you, Mr. Chairman.

**Mr. Bjornerud:** — Well, thank you, Mr. Chair, and thank you, Mr. Minister. Welcome to your staff tonight. I want to commend you, Mr. Minister, and commend your staff. Actually every time we phone a number at Municipal Government we actually get Municipal Government. So that's one plus.

Mr. Minister, I'd like just for a minute to . . . I would like to just touch on tonight, to start out, Mr. Minister, with the restructuring of Municipal Government and the departments that you gave up. Could you maybe just start off tonight by just giving us a bit of an overview of the departments you gave up and how Municipal Government is actually structured at this point?

**Hon. Mr. Osika:** — Thank you, Mr. Chairman. I thank the hon. member for the question. The restructuring of Government Relations and Aboriginal Affairs, what I might do is read into the record the mandate of the department:

. . . to promote Saskatchewan's interests through

management of the Province's relations with . . . governments, in Canada and abroad, and to work with Aboriginal peoples in the province and their organizations to advance . . . (their) common interests. The Department works in partnership with (the) communities to support local governance, provide financial (service) and technical support and develop legislation, regulations and other policies to meet the changing needs of municipal governments.

And the department as well:

. . . also coordinates and manages matters related to Government House, French-language services, official protocol, provincial honours, and provides administrative services to the Office of the Lieutenant Governor.

Mr. Chair, there are a number of other specific areas if the hon. member would like me to elaborate on, but if that would suffice for now I'll be glad to offer any additional information.

**Mr. Bjornerud:** — No, that's fine for now, Mr. Minister. Thank you. I guess I'd like to . . . I'm trying to understand how downsizing of Municipal Government has made it simpler for the people out in Saskatchewan that are running municipalities, whether it's urban or rural.

What was the number of employees that you had under Municipal Government before and where are we now with the number of employees that work for Government Relations?

**Hon. Mr. Osika:** — Mr. Chair, to the hon. member, the change in the full-time equivalent status from 2001-2002 went from 233.6 FTEs (full-time equivalents). For 2002-2003, it will now be 200.5, so there has been a significant reduction.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Were all these positions transferred to another area, or were there actually people that were terminated from their job?

**Hon. Mr. Osika:** — Mr. Chairman, there were some vacancies within the whole department that were eliminated. Some of the positions were in fact terminated, and there were a number that moved to different areas within the department.

**Mr. Bjornerud:** — Thank you, Mr. Minister. A couple of areas that I'm having problem actually finding where they fit under, and I think I know, but RCMP (Royal Canadian Mounted Police) funding, for one thing, is that totally under Justice at this point?

**Hon. Mr. Osika:** — Mr. Chairman, the hon. member is correct; policing is all under Justice.

**Mr. Bjornerud:** — So there's no funding, Mr. Minister, for policing or RCMP or anything like that through Government Relations at this point?

**Hon. Mr. Osika:** — Not directly, Mr. Chairman. I think the hon. member may be asking about any type of revenue sharing, but the revenue sharing goes to municipalities, so they can deal with that as they see fit. There's no direct relationship for costs of policing from Government Relations to municipalities.

**Mr. Bjornerud:** — Thank you, Mr. Minister. You know there's areas like 911 and other areas that used to be under Municipal Affairs that are now, I guess, under different areas.

I guess the problem that I may be having with the restructuring that you've done to Municipal Government . . . and this has been brought to my . . . concern has been brought to me by a number of . . . and it doesn't always have to be urban, but even rural. When people out there go to deal with some department where they were used to dealing with Municipal Government, whether it was housing or RCMP funding, whatever it was, it was under the umbrella of Municipal Government. It's become quite confusing, and I guess in time, it will become simpler, but they're all over the place looking for . . . if a town is dealing with housing, they go through Social Services.

Mr. Minister, I find it hard to understand how we've made this simpler for the elected people of Saskatchewan by doing what we've done. Would you care to comment about that?

(20:45)

**Hon. Mr. Osika:** — Mr. Chairman, to the member, you're correct. The housing services now fall under Social Services, and it seemed to be the appropriate ministry with respect to housing needs in a variety of communities.

As far as municipal relations, Government Relations, there should be no question or at least no confusion with respect to assistance offered by Government Relations to municipalities, in many of their respects dealing with local governments. The Department of Government Relations and Aboriginal Affairs has had discussions with SUMA (Saskatchewan Urban Municipalities Association) and SARM's (Saskatchewan Association of Rural Municipalities) executive regarding our advisory services that we've now put in place.

And we're planning once again in the future to consult with all these services as well to assure them that the availability of any assistance in their needs, in their governance needs, as well as the tool kit that's been prepared for electronic obtaining of services or at least information on various services such as preparing or changing bylaws and the like, but municipal governments can contact just about whatever advisory service through Government Relations.

**Mr. Bjornerud:** — Thank you, Mr. Minister. When housing was transferred to Social Services, how many positions would have been transferred with housing at that point?

**Hon. Mr. Osika:** — Mr. Chairman, and to the member opposite, it may seem like a large and significant number, but there were 122 full-time employees that would have been associated with housing that would have gone with Social Services.

**Mr. Bjornerud:** — Thank you, Mr. Minister. 911 — did you touch on that? Is 911 still under Government Relations and Aboriginal Affairs?

**Hon. Mr. Osika:** — Mr. Chairman, that would come . . . 911 now and all emergency service would come under the Minister of Public Safety which would be Minister Thomson's

department.

**Mr. Bjornerud:** — And how many employees would have been transferred at that time?

**Hon. Mr. Osika:** — Mr. Chairman, to the member opposite. The specific number . . . the 911 services were on a contract basis, but with the employees that were connected with that would have been 10 to 12. I can get that specific number and advise the member later on if you wish. If not, it's roughly in that number.

**Mr. Bjornerud:** — Good. Thank you, Mr. Minister. No, that doesn't matter. That's just a rough idea; that's what I needed. Did you actually . . . did you comment on the RCMP funding and that? Was that a special group of people that looked after that or was that done under the existing people that are still in Municipal Government?

**Hon. Mr. Osika:** — Mr. Chairman, the RCMP funding has always been a matter of the Justice department. There was never any direct funding related to Municipal Government, now Government Relations. So it's strictly Justice that dealt with the funding issues for policing.

**Mr. Bjornerud:** — Okay, thank you, Mr. Minister. Mr. Minister, then after the restructuring, and these housing and then these other areas were transferred to another department, did you . . . did Government Relations then take on other responsibilities that you didn't have before?

**Hon. Mr. Osika:** — Mr. Chairman, it was . . . Actually what had happened with the reorganization, it was a merging of Intergovernmental Affairs, Aboriginal Affairs, and municipal governments, which then included municipal governments, provincial/interprovincial relationships with governments, as well as the federal, the national governments, and international trade as well. So there was a merger of responsibilities from some of these other departments that came under this umbrella.

**Mr. Bjornerud:** — That maybe explains my next question, Mr. Minister, because the numbers you've given me tonight . . . I believe you said there was 233.6 employees originally with Municipal Government. You then went on to say there was 122 transferred with housing; there was another 10 to 12 people or positions that moved to 911. I would come down . . . my numbers would, if my math is close to being right, there's about 100 employees that would be left, and yet you say there is still around 200 there. Did you take on an extra number of areas that would have brought 100 employees with those areas?

**Hon. Mr. Osika:** — Thank you, Mr. Chairman. And I know that the hon. member's math is correct. Maybe not right down to the decimal point, but it's . . . What the explanation is that Municipal Affairs, prior to the re-organization and the restructuring and the merging of other departments, was in excess of 400 employees which included Municipal Affairs, Housing, and subsequently with the merging of Intergovernmental Affairs, Intergovernmental and Aboriginal Affairs, that number blended into 233.

And from that 233 were the reductions as a result of the cutting of the positions that were vacant. So it was reduced by that

number. So that's what would bring it down to the 200.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Mr. Minister, I'd like to just . . . I won't go far into this, but Aboriginal Affairs, to me it looks like there's parts of it in about three different departments. Do you want to elaborate on that a bit? What part of Aboriginal Affairs do you deal with now under Government Relations?

**Hon. Mr. Osika:** — Mr. Chairman, the Aboriginal Affairs portion that is with Government Relations develops and coordinates government policies with respect to First Nations and Métis peoples. As well it manages and provides funding for any provincial obligations that exist pursuant to treaty land entitlement agreements. As well it provides payments related to the province's obligations pursuant to the First Nations gaming agreements. It also supports special initiatives with Aboriginal organizations and promotes and facilitates Aboriginal employment opportunities across the public and private sectors.

And you're right, there are some other areas that are still related to Justice that's dealt with specifically. But these are responsibilities under Government Relations that would fall into the purview of the responsibilities of this ministry.

**Mr. Bjornerud:** — Thank you, Mr. Minister. I'll get off that topic now.

And I'd like to just touch for a minute . . . I know you saw and I saw after the budget, SARM put out a release that wasn't really totally happy with the budget this year. They talked about the \$25 million education tax rebate that was cut.

And I'm understanding the extra dollars you put into municipal . . . or was put into Government Relations this year for northern and urban and rural. But I guess what I'm wondering now, we saw Saskatoon put their mill rate up. Regina just lately put theirs up, and I think a number of the other cities. I'm wondering are you getting a trend — and I think every year we watch to see what's happening out there with mill rates across Saskatchewan — are you getting a trend now with the towns? I've had some calls where towns have had to jack theirs up. And also with rural municipalities, are we getting a feeling, to what degree are they having to raise their mill rates this year?

**Hon. Mr. Osika:** — Mr. Chairman, that is a question, a concern that has been expressed. And the hon. member is correct; this is the first year in a number of years that there has been a turnaround and an injection of an additional \$10 million in revenue sharing for all the municipalities — urban and rural.

And I am aware that there are some municipalities that see fit or some urban municipalities that have seen fit to raise their mill rates in order to continue to supply the types of services for their communities. And, Mr. Chairman, to the hon. member, it's as difficult . . . and again I appreciate the difficulties that some of the municipalities are having in meeting the needs of their communities, and it's not unlike dealing with the entire provincial budget where you do the best you can with what you have and then when it comes down to meeting some responsibilities, once again you have to take from someplace to ensure that you meet your requirements in another area.

It has been pleasing though however, with having said that, there are still some communities that have indicated as a result of the additional revenue sharing, increases in transit for the disabled, and the like, that there are no tax hikes, that municipalities have indicated that because of some of the additional monies and some of the areas where they've had to reduce perhaps their services, they felt that this budget at least gave them a little bit of hope and it was moving in the right direction for the support that this government was giving them, in the revenue sharing, in the transit for the disabled, in the provincial, in the Canada-Saskatchewan Infrastructure Program, money that was coming to the municipalities through a variety of targeted programs over and above the revenue sharing.

So with having said that, I know that there are . . . As the province is facing some difficulties in meeting its financial obligations, if you wish, in some areas, you do what you can to ensure that the services for the people that you're responsible to and for are met to the best of your ability under the circumstances.

**Mr. Weekes:** — Thank you, Mr. Chair. To the minister, I believe the minister has seen this letter but I'd just like to ask him to comment on it and if he had replied to it. It's a letter from the municipality of Redberry No. 435 and they passed a motion at their meeting March 12, 2002. The motion read:

That we request Minister Hon. Ron Osika to grant us authority to tender with our own equipment on our approved Canada-Saskatchewan Infrastructure Program project no. 22091 in conjunction with the rules outlined in the municipal road program manual.

And they go on to say, Mr. Minister, that they have been tendering on their own projects for the last 25 years and would like to tender on their own infrastructure programs. Would the minister reply to that, please?

(21:00)

**Hon. Mr. Osika:** — Mr. Chairman, yes, I'm aware of that, and I believe that's not the only RM that has indicated or requested that type of consideration.

I have to remind the member, Mr. Chairman, that it is the Canada-Saskatchewan municipal infrastructure program, and the criteria that's set out is such that needs to be followed by the other partners. Or the criteria that's set down by the other partners needs to be followed by the province and the municipalities, and one of those criteria is that they're not allowed to use their own equipment and facilities to carry out their own projects.

Now having said that, in extreme circumstances, in the event that there are no other opportunities or no other available construction people or equipment to do the work, they may submit a special request to the management committee. And that management committee is totally at arm's length from my office.

The committee is made up of SARM and SUMA and federal and provincial representatives who make the decisions with respect to any of the projects that come in that are requested for

approval. They make those determinations and recommendations based on that criteria and as it's laid down. It's very stringently followed in order that everybody's treated fairly and equitably.

And one of the criteria was that municipalities could not do their own tendering, their own work that they might tender out. But again I would encourage them to . . . and if that letter, I'm not sure what the date of that letter would be, but that would certainly be forwarded on to the management committee to look at and review.

**Mr. Weekes:** — Thank you, Mr. Minister. The letter's dated April 2.

I think it would be obvious to everyone that municipal governments should be able to tender on their own projects considering they're able to do that, you know, if it's outside the infrastructure program. I was wondering, will the government be trying to amend that agreement sometime at some point in the future to allow municipalities to tender on their own projects?

**Hon. Mr. Osika:** — Mr. Chairman, to the member, there has been representation made to the federal government, one of our other major partners in this project, in this program. And they are reluctant to make any amendments to that criteria at this point in time but are still willing to consider special circumstances submitted by municipalities with respect to projects under that particular program.

**Mr. Bjornerud:** — Thank you, Mr. Chair. Mr. Minister, I'd just like to touch for a minute, talk about grants in lieu of taxes. Has there been . . . where last year you paid grants in lieu to — say — the City of Regina, City of Saskatoon or for that matter anywhere in the province, have you cut any areas where you did pay last year where you aren't paying this year, communities for grants in lieu?

**Hon. Mr. Osika:** — Mr. Chairman, to the member, there has been a change which will affect two provincially-owned properties, and they're museum properties. And it's a grant in lieu of exemptions policy in other jurisdictions that were reviewed to determine how their properties were treated particularly museum properties.

In several of the other provinces heritage properties, all heritage properties are exempt from grants in lieu of. Here in this province a government decided not to exempt all heritage properties from the grants in lieu of payments but to exempt only museums. And so this affected two properties here, and that's the Royal Saskatchewan Museum and Government House right here in Regina. So those were the only two properties that were exempt in this province as heritage properties: museums.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Mr. Minister, why would you pick those now? Why this year would you decide not to pay grants in lieu instead of last year, or did you include that in your answer and I missed it?

**Hon. Mr. Osika:** — Thank you, Mr. Chairman. This was as a result of looking at what other provinces were doing, so we were on par with what some of the other provinces were doing

with grants in lieu of property.

But having said that, there was also an expansion to Highways properties throughout the province. So it was in fact expanded to include some Highways properties. Highways own properties as well throughout the province. So that's a plus with respect to the rural areas.

**Mr. Bjornerud:** — Thank you, Mr. Minister. And so the cutbacks to the grants in lieu on behalf of the museums then, would that affect communities all over the province, or are we just talking the cities?

**Hon. Mr. Osika:** — There are just the two properties that were exempt, and that's the Royal Saskatchewan Museum and Government House, here in the city.

**Mr. Bjornerud:** — Thank you, Mr. Minister. I missed that part earlier. How many dollars then would that amount to for the city of Regina over what they were actually paid last year?

**Hon. Mr. Osika:** — The impact of those two properties is approximately \$374,000.

**Mr. Bjornerud:** — I guess maybe, Mr. Minister, that would be one of the reasons that we saw part of a mill rate increase in the city of Regina then, because as I understand it then, they would have to pick up that shortfall that they had had paid to them on behalf of grants in lieu last year that they wouldn't receive this year. So I guess that's part of the reason that they had to jack their mill rate up here.

Mr. Minister, I'd like to switch over for a few minutes and talk about SAMA (Saskatchewan Assessment Management Agency). And I don't know if you are still receiving the number of complaints that we always have received for SAMA and the assessment of whether it's rural municipalities or whether it's towns or cities or whatever it is. And we still get the concerns coming from municipalities where they feel that maybe they'd be better off not being under SAMA's assessment leadership and them coming out to do assessments.

How many municipalities do we have at the present time that are considering opting out of SAMA?

**Hon. Mr. Osika:** — Mr. Chairman, once again I'll have to beg the indulgence of the member to get specific numbers of municipalities that have opted out or indicated their intention to opt out.

Having said that — and I will get those numbers for you — I am pleased to report to the member, Mr. Chair, that some of the municipalities — subsequent to the budget and the additional funding for SAMA and, as you are probably aware, some rather significant changes that have been made with the review and the direction that SAMA will be taking for the future — I'm very pleased that some of the municipalities have indicated, again expressing their confidence that yes, we are going to be moving in a direction where there will be more parity perhaps and a clarification of some of the problems and some of the issues that were raised.

So with the additional funding to SAMA, with some of the new

direction, and some of the reviews that are being carried out in order to ensure parity, equity, timeliness, and all the assessments for future years that, as I mentioned, I'm pleased that some municipalities who had suggested they would leave, are now looking at staying, at remaining with SAMA which is a very, very positive thing. Because I just want to share that, in my humble opinion, becoming fragmented in such an important exercise for the province would not be beneficial to everybody concerned.

I think it's very important that we recognize working together in that particular field as well. We have more parity, as I say, more continuity, and using information that's applicable across the province as opposed to regionalizing on specific land values.

So I do believe we are moving in the right direction, and hence those municipalities that were concerned have now indicated that they will give us an opportunity to give us back their confidence in working with SAMA to make it what everybody wants it to be.

**Mr. Bjornerud:** — Thank you, Mr. Minister, and I agree with you that we need that continuity completely across the province to set our taxation at a consistent level across the province. And I agree with you, understanding of course we have new leadership at SAMA, and I'm looking forward to that being part of the improvements we see there.

I think we both . . . it's been a headache for everyone that's involved in government or opposition, for that matter, for the last number of years. Being involved in a RM before, I know the frustrations that they feel out there with the first assessment, and a lot of those problems seem to be there again. We didn't seem to learn when the last assessment was done and a lot of those complaints came up, sometimes from different areas, but the problem seemed to be continuing and I understand why communities would get frustrated to the point of wanting to opt out.

So to hear that some of those communities are kind of changing their mind and thinking of staying in now rather than go that way, I think, is definitely a plus.

Mr. Minister, maybe you could touch on, I know you put additional dollars in for SAMA this year, could you maybe just touch on those dollars and what you've put into SAMA extra?

**Hon. Mr. Osika:** — Mr. Chair, thank you to the hon. member for that question. SAMA is being provided with \$5,820,000 this coming year and that's the increase which includes the increase of \$1.67 million or 40.2 per cent over last year's budget.

That will be a great asset to them and it's allocated and I'll just give you the breakdown: \$350,000 additional for SAMA's operations related to the services required throughout the province, \$990,000 for the development of a new province-wide, computer-assisted mass appraisal or CAMA system, and \$330,000 for the implementation of the income approach for commercial assessment.

So the provincial funding in this year's budget will result in the province paying more than 50 per cent of SAMA's total budget

based on SAMA's 2000 expenditures. So again hopefully with that kind of additional funding and the assistance to SAMA it will regain the confidence that we hope will regain the integrity of what people throughout the province expect of SAMA, of the assessment agency. And I'm quite pleased the direction that SAMA is taking and we're looking forward to ensuring that we alleviate some of the concerns that have been expressed.

**Mr. Bjornerud:** — Thank you, Mr. Minister. The 1.6 million that you talked about, that additional dollars that you put in this year, is that a one-time funding or is this going to be an annual part of the budget?

**Hon. Mr. Osika:** — Mr. Chairman, it's one time. Now having said that, there will no doubt be requests for additional monies for the CAMA system as the program evolves and is developed. SAMA may require some additional assistance and we'll just have to wait and see whether or not we can accommodate whatever needs. It will depend on what their needs will be and the costs for continuing to develop that system.

(21:15)

**Mr. Bjornerud:** — Thank you, Mr. Minister. The 350,000 if I understood what you said, you said it was the \$350,000 for their operating and their ability to service the municipalities. If I understand right that is to help them with their year to year ongoing budget. If you put in one time 1.6 million in and you take it back next year then there'll be a shortfall of \$350,000 I would presume. And knowing that the municipalities feel that they're paying far more than their share right now because of the education tax system using the assessments as they do to set their taxation, I think the municipalities would be . . . won't be very happy to hear that this is a one-time shot, this \$350,000 also.

**Hon. Mr. Osika:** — Mr. Chairman, I agree with the member that yes, SAMA will need that on an ongoing basis, and that's the funding that will go to the audit functions that will be a requirement. So yes, you're right, if that money's cut out then it will once again be a serious blow.

That's why I say we'll have to assess and evaluate and see how the entire program . . . They may not need as much money next year in the development of the CAMA system, so there may be an opportunity to move some of that funding around. But you're right, the processes for the audits and all the related provincial interests that go with the assessment process will require this kind of help.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Mr. Minister, you talked about the \$990,000 that you put in, I believe, for computerization of SAMA, which I think we've all agreed that they need. Will that be adequate? Will that be sufficient to totally bring them up to speed where they want to be? Because I think they also had goals of where they'd like to go and it seemed to me they wanted more money than that to bring the computerization up to speed. Is that going to cover it?

**Hon. Mr. Osika:** — Mr. Chairman, I understand that it will be something like a three-year project, so there will no doubt be additional funding required, and it would be a guess at this point, but it may be a similar amount, it may be slightly more.

But it is a program that will evolve over a period of years. So there will be a need for additional funding to ensure that that system is brought up to where it's really functional.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Correct me if I'm wrong, but I think if I understood right that they were talking in the amount of probably \$4 million to get this up and running. Is that right?

**Hon. Mr. Osika:** — That's an approximate amount, but it is anticipated. Again that number could fluctuate. That's a long-term projection, so we'll have to deal with it as it evolves, as I said.

**Mr. Bjornerud:** — The requisitions for municipalities themselves, the money that they pay in to have SAMA provide the service that they do, are they also being asked this year to pick up part of that cost for the computerization?

**Hon. Mr. Osika:** — Mr. Chairman, the municipalities were not asked to contribute to the computer systems. That's strictly a commitment that was made by the government. The field services, and I . . . just once again with the increase, with the total increase, the provincial funding will result in the province paying more than 50 per cent of SAMA's total budget based on their expenditures for the year 2000.

So from the provincial interests and financial responsibilities, those financial responsibilities have in fact been met and perhaps even exceeded. So the development of the CAMA system is separate and apart from that.

**Mr. Bjornerud:** — Thank you, Mr. Minister. Well then the requisitions that municipalities are asked to put in towards SAMA's funding, will they stay as they were last year? Are they being asked to put more money in this year for other things then; or because the government has put more money in, will they be able to hold the line on those requisitions?

**Hon. Mr. Osika:** — I understand, Mr. Chair, that there would be . . . there is a small increase, perhaps as much as 5 per cent, in that vicinity, that the municipalities would have had to increase their requests, yes.

**Mr. Weekes:** — Thank you, Mr. Chair. Another question to the Minister. I received a letter from the Gilmour Group Water Association, and they are six families living along the Gilmour Road approximately 10 miles west of Saskatoon and currently in the process of trying to get water from the city of Saskatoon. And they are within a mile and a half of the main line and they're wanting to get some funding or help.

Could you make us aware of what programs that this group would be eligible for to get funding to get this water? They have to cross the CN (Canadian National) rail line and some roads along the way as well.

**Hon. Mr. Osika:** — Mr. Chair, the program available once again is the Canada-Saskatchewan Infrastructure Program. Those are the only programs. That's the only program that's available at this point for water and sewer projects of the nature that you describe. And the applications for the program for next year will likely be out sometime in July or August with a

deadline return date of October, so I would encourage that community or those communities to apply.

The alternative . . . and you just indicated that it was just individuals, or is it a community? I'm not sure. If it's a community, they would need to apply as a community under the Canada-Saskatchewan Infrastructure Program. For individuals, there is no specific grant that would be available for — say — a one-waterline hookup to a line that's passing by a particular subdivision or a farmhouse. At this point I'm not aware of any specific programs that would be targeted for individuals outside of a project for an RM or a community under this Canada-Saskatchewan municipal infrastructure program.

**Mr. Weekes:** — Thank you, Mr. Minister. They are individuals. They've just formed an association of individual landowners that's in the RM, but what they want to do is to tie into the city of Saskatoon water supply, which is just a mile and a half away. And they have a problem with their wells, the high bacteria and high iron in their water supply as well. So I was just wondering, is there any agreement between the city and the province, other than the infrastructure program, that they may be able to get some help from?

**Hon. Mr. Osika:** — Under those circumstances, either they could approach the city to apply on their behalf to offset the costs of the project or probably by the sounds of it, better still, they would go to the RM who would then make application on their behalf to help facilitate the connection to the Saskatoon water supply. Those would be the options. And if in fact the city of Saskatoon would be amenable to their request, I don't know why they wouldn't want to help them out by applying for some assistance under that kind of a program or the rural municipality, either one. And then if there were any costs associated that the city or the RM needed to recover, they would then naturally, I assume, would expect the community that you mention to pay for that service in some way, shape, or form.

The committee reported progress.

The Assembly adjourned at 21:28.