

The Assembly met at 1:30 p.m.

Prayers

## ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Mr. Swenson:** — Thank you, Mr. Speaker. I won't go through the entire litany of this particular petition because it's the same as many others that have been presented in this Assembly. I will, however, go through the three points that people are asking for:

Wherefore your petitioners humbly pray that your Honourable Assembly may be pleased to cause the government to

- 1.) allow the 1991 GRIP program to stand for this year;
- 2.) start working with the federal government and farmers to design a program that will be a true "revenue insurance" program by the end of this calendar year, and
- 3.) that the new revenue insurance program be set up on an individual cost-of-production to return ratio instead of risk area formula.

And there are people here from quite an area of northern Saskatchewan, primarily around the Prince Albert area and to the east.

### READING AND RECEIVING PETITIONS

**Clerk:** — According to order, the following petitions have been reviewed pursuant to rule 11(7), and they are hereby read and received:

Of farmers and citizens of the province of Saskatchewan humbly praying that your Honourable Assembly may be pleased to allow the 1991 GRIP (gross revenue insurance program) program to stand for this year.

### NOTICES OF MOTIONS AND QUESTIONS

**Mr. Boyd:** — Thank you, Mr. Speaker. I give notice that I shall on Thursday next ask the government the following question:

Regarding the recent trip of the Minister of Economic Development to New York: (1) who accompanied the minister, including name and position; (2) what was the itinerary of each member of the delegation, and in particular, what are the details of services provided by the ministerial assistant to the Minister of Social Services; (3) what is the breakdown of costs for each member of the delegation, including the proportion of salaries that would accrue during the trip; (4) what other costs are associated with the trip that cannot be assigned to any one traveller; (5) was a report on the trip prepared for the Premier, and when will a copy of the report be

tabled in the legislature; (6) did any member of the delegation attend the Democratic convention, and if so, was the time and attendance deleted from the relevant salary; (7) when was the trip scheduled, on whose initiative was the trip scheduled, and for what purpose was the trip scheduled?

Thank you.

**Mr. D'Autremont:** — Thank you. I give notice that I shall on Thursday next ask the government the following question:

Regarding Terry York, employed with SIAST (Saskatchewan Institute of Applied Science and Technology): (1) was Mr. York fired with cause or without cause; (2) if with cause, what was the cause given; (3) is the government engaged in a lawsuit with Mr. York; (4) who represents the government in its legal affairs relating to the York firing, and is there a real or perceived conflict of interest with any cabinet minister; (5) what are the fees and expenses being paid to the government's legal representatives, and what are the terms and conditions of representation; (6) has a replacement for Mr. York been hired, and if so, provide the details of his replacement, including salary, qualifications, and method of selection.

### INTRODUCTION OF GUESTS

**Mr. Lyons:** — Thank you very much. Mr. Speaker, on behalf of my colleague, the member from Regina North West, I'd like to introduce some people that are in your gallery today. They are Mr. and Mrs. Bob Pillon from Sudbury, Ontario. They're visiting relatives here. There's Brian and Diane and my friends, Fred and Vera Massier of Regina. I wonder if they'd perhaps stand up and all members welcome our visitors from out of province here today.

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

### STATEMENTS BY MEMBERS

**Mr. Renaud:** — Thank you, Mr. Speaker. As you may be aware, we finally received rain in the north-east in the past few days, and it's helped our drought conditions extensively, but it comes a little too late for many crops. Early red spring wheat and barley have deteriorated to the point of no return, and some fields have had to be ploughed under.

I commend our Premier for sending the Prime Minister a strong message requesting the much promised but not yet seen third line of defence, a defence that would kick in for disasters such as drought. The federal government has access to a much larger tax base and therefore has a greater ability to address debt. They must therefore take more responsibility for agriculture. They've taken responsibility for fisheries, Mr. Speaker, and the situation there is similar. Agriculture is considered vital by governments in all other countries — an industry of the people, by the people, and for the people.

In Canada, Mr. Mulroney simply off-loads agricultural responsibilities on to the backs of the already struggling provinces and farmers. This is a step backwards. We need to take the right direction and consider agriculture a national industry with every Canadian sharing in its survival and therefore positioning ourselves for a very positive future.

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

**Mr. Roy:** — Thank you very much, Mr. Speaker, and fellow members of the legislature. I wish to address today the issue of federal government off-loading of agricultural programs onto the backs of provinces such as ours, provinces who are unable because of extreme financial difficulties to pick up the costs of this despicable practice. If the federal government wants provincial co-operation in solving these national problems of off-loading, off-loading is not the way to solve it, Mr. Speaker.

Since 1988, Mr. Speaker, western provinces have been forced to pay costs for 25 per cent of crop insurance premiums, 25 per cent of revenue insurance premiums, and 25 per cent of income stabilization premiums. The dollar amounts we're discussing are astronomical. These percentages have gradually been increasing. Our revenue base isn't sufficient to keep picking up federal responsibilities.

The frustrating thing is, prior to 1988 the federal government properly took major responsibility for price instability through western grain stabilization and production instability through crop insurance.

We urge the federal government to revisit their off-loading decisions, to consider with compassion what they are doing to our farmers and our province. Thank you.

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

**Mr. Devine:** — It is day 2 of the Saskatchewan legislature since an effective democracy has been crushed in this Assembly. On July 16 the Speaker of this Legislative Assembly intervened in an unprecedented and dramatic way that is leading to the victory of the NDP government over the justice system and the right of Saskatchewan people to have their day in court.

This is day 2 since the NDP, while saying they wish to protect the ability of members to debate, forced closure after only five days of discussions on a unilateral rule of change. It is day two since the rules of this Assembly were changed by the partisan will of the NDP government, that cares little for this institution or the rights of the opposition and dissent. It is day 2 in the existence of the rubber-stamp legislature where NDP government back-benchers themselves are expressing grave distress at the unbridled thirst for power of an Executive Council made immune from normal checks and balances.

It is day 2 and counting in the life of what now can be known as the toy parliament. This Legislative Assembly has become the play thing of the NDP Premier and his friends and indeed it is an ugly game.

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

**Ms. Hamilton:** — Thank you, Mr. Speaker. I'm very pleased to inform the Assembly of a special initiative taking place to fight child hunger in Regina, from July 6 to August 14. Regina Education and Action on Child Hunger Inc. or REACH — REACH which was born out of the mayor's hunger inquiry and which was formed when I was a member of city council — is funded primarily by the provincial government.

This summer REACH will be preparing bagged lunches to distribute to children who attend one of our eight summer fun spots in the inner city. These nutritious lunches will be given to any child who desires one without any requirement for prior registration.

Furthermore the fun spots will offer sports, arts, and other recreational activities for the children during summer weekdays in Regina.

I congratulate the city of Regina who sponsors the fun spots and the teens who work hard to make all the children feel welcome.

People in companies who wish to donate food to this program can do so at the Pasqua recreation centre. Mr. Speaker, we must realize the need for child hunger programs does not vanish with the arrival of summer.

The fun spots program represents an admirable effort to address the problem of child hunger and at the same time provide children with recreational activities during the summer.

Mr. Speaker, I would like to, on behalf of the government, sincerely thank and congratulate REACH for taking this initiative for children this summer in the city.

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

**Mr. Neudorf:** — Thank you, Mr. Speaker. Yesterday, Mr. Speaker, the citizens of Martensville and area gathered together in a sincere gesture of support and community harmony which filled many people with pride and hope on that most remarkable Sunday. Hundreds of neighbours, families, and friends attended a potluck supper put on by the good people of Martensville, then proceeded to participate in a silent walk throughout the community to show support for all those that were so adversely affected by recent events.

Mr. Speaker, during the walk, which took place during a period of light rain in the area, a lone rainbow made a brief but magical appearance in the distance — a rainbow which many people felt was a touching symbol for the collective wish that the sadness and disbelief would soon come to an end. And while the walk was in silence, one did not need to speak to feel the sense of wonder and joy that nature's sign gave to all those in attendance.

And I say to friends and colleagues of this Assembly, it is difficult to believe that anything good could come out of this most painful circumstance, but like the rainbow after the rain the way in which the people in this area are

rallying together is already beginning to overshadow the sense of shock and deep-felt concern that first fell on the community and the entire nation.

On behalf of the people of Martensville and area, I ask that all MLAs (Member of the Legislative Assembly) and Saskatchewan residents, and indeed all Canadians, join with us in beginning the healing process because I know in my heart that we all care.

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

**Mr. Kowalsky:** — Thank you, Mr. Speaker. Home owners who are renewing their mortgages this month or in the near future are welcoming the long-awaited reduction in interest rates. Mortgage rates are now as low as 7 per cent, and I believe this to be the lowest they've been for 25 years. Another welcome feature is that the spread between term deposits and mortgage rates for one year has narrowed to about 2 per cent, Mr. Speaker. One-year term deposits now purchased will yield 5 per cent at banks and at credit unions.

Many of my constituents have said repeatedly that the high interest rates of the last 15 years were the single biggest overhead cost that crippled their businesses, and the same holds true for farmers. When you have to turn a gross margin of 12 to 15 per cent just to pay interest rate costs, it's very difficult to run a profitable business.

This reduction in interest rates is welcome news and will help to restore confidence in our provincial and national economies. It'll also help us restore our faith in our financial institutions and in the banking industry.

When we had runaway interest rate structures, the only way it seemed possible to get ahead was to depend on inflation. High levels of inflation bring their own problems. Our current inflation rate is around 2 per cent. This provides room for even additional possible decline in interest rates, Mr. Speaker.

Many of my constituents — home owners, business people, everybody — are hopeful that interest rates will continue to remain stable.

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

## ORAL QUESTIONS

### Changes to GRIP

**Mr. Martens:** — Mr. Speaker, my question is directed to the Premier. The minister responsible for Crop Insurance outlined that at least three times he has extended the GRIP program opting-out clause. And we would like to know in this Assembly, Mr. Premier, whether in fact that you would extend it again beyond today so that the farmers have a choice of whether they can become involved in opting out, because the decision is not concrete as to what is going to happen. And would you extend it to the time at least that the court is going to be in place?

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

**Hon. Mr. Cunningham:** — Mr. Speaker, I think we've

been through this before.

**An Hon. Member:** — Three times.

**Hon. Mr. Cunningham:** — That's right, Mr. Speaker. And we extended the deadline, Mr. Speaker, from March 31 to April 30, which gave farmers an extra month. We again extended it to May 15, which gave them another two weeks. Because of the court ruling which opened up the option and forced us to leave the option open, we left it open until June 24, until that was struck down in court and would no longer apply. We again thought that we didn't want to trap farmers into this. We extended them another two weeks option to get out of the program, which is four months past the original deadline.

People have had very much time to think this over. Very few people have opted out, I might point out to the members opposite. I would like to also point out, Mr. Speaker, that we have had a lot more people wanting back into the program than we had opting out. And that unfortunately was caused I think by misinformation . . .

**The Speaker:** — Order, order, order. Next question.

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

**Mr. Martens:** — Mr. Speaker, and Mr. Premier, since we have a lot of drought in the northern part of the province — and I would suggest to the minister of Crop Insurance that that is the reason why people want back in, and it places in perspective all of what we have said and what we have done — would you provide the opportunity for the farmers to at least go till the time the Bill is dealt with in this Assembly or until the court decides what they're going to do with it?

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

**Hon. Mr. Cunningham:** — Mr. Speaker, it was our intention to allow a deadline until it was dealt with in this legislature. We had a little problem getting the Bill into the legislature, Mr. Speaker, and that's why we had to act this way. Thank you.

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

**Mr. Martens:** — Mr. Premier, will you allow the farmers to have their day in court before you implement a retroactive legislation that deals with . . . dealing with a contract that was legally obtained and legally agreed to by the people of Saskatchewan in agriculture, and the government. Will you let the farmers have their day in court before you unilaterally try and change it. Because the court may tell you when to have the date for opting out.

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

**Hon. Mr. Cunningham:** — Mr. Speaker, we will certainly honour any court decision that comes down. Mr. Speaker, we need to have this legislation through this House. Those changes to the Bill are needed so that we can sign a federal-provincial agreement and get on with the program so that farmers know what program they have.

We are now almost . . . as the member opposite says, a drought is on the horizon. We are well into the crop year, well past the time when you'd have the normal deadlines for crop insurance or revenue insurance. And I think the reason is obvious why we are lagging on these deadlines, is because of the obstruction we've had from the members opposite.

**The Speaker:** — Order. Next question.

**Mr. Martens:** — The obstruction, Mr. Minister, was asked for by the farmers of the province of Saskatchewan. Across this province . . . and I've got a list of phone calls over the weekend expressing exactly those same concerns, from Wishart, Lipton — all in the North — Tisdale, all over there. And that's what's happening. One inch of rain in Tisdale isn't going to make a particle of difference to that crop.

My question is to you: are you prepared at this point to just say flippantly that you're not going to allow the farmers a day in court before you unilaterally change something that they don't want to have?

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

**Hon. Mr. Cunningham:** — Mr. Speaker, we will allow the farmers to have their day in court. They will have their day in court and the court will decide. What I think, the members opposite, if they're concerned about drought should be onside with us in asking the federal government to come through with the third line of defence that we need to solve the drought problem.

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

**Mr. Martens:** — Mr. Premier, you sent a letter to the Prime Minister asking for more money. Well, Mr. Premier, would you be prepared to at least ask for the amount in '91 GRIP and the value that it was so that the farmers could be compensated for the volume that they're missing because of your Agriculture minister's ineptitude in dealing with the federal government?

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

**Hon. Mr. Romanow:** — Mr. Speaker, I thank the hon. member for that question and would point out to the House that in 1990 a report to the ministers of Agriculture, federal and provincial, on safety nets talked about second-line and third-line defences.

And in that report it said the following on page 28, quote: it must also be recognized that:

"third-line events are largely unpredictable and cover a wide range of problems . . . some events may require additional income supplements over that provided by second-line programs.

GRIP being a second-line program. And then they use as an example output quantities of Canadian crop drought assistance program 1988.

We believe that those principles are solid principles and it

is on that basis that the letter to the Prime Minister has been sent in the light of the situation in the province of Saskatchewan.

Finally, we do not believe that the off-loading by Ottawa of agricultural financial responsibility onto a province which is so dependent on agriculture is fair nor feasible.

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

**Mr. Devine:** — I have a question to the Premier who on Friday last stated that the former government broke contracts with farmers by changing the land bank legislation. And the Premier went on to say that since land bank contracts were retroactively broken, it would be appropriate that the GRIP contract could be retroactively broken.

Mr. Premier, would you confirm the fact that what you said was that it was appropriate for your government to retroactively break the GRIP contract based on some historical precedent?

**Hon. Mr. Romanow:** — No. Mr. Speaker, the point that I was making, without having all the details of that 1982 legislation before me, is this point in general. Government's from time . . .

**An Hon. Member:** — You had the book the other day.

**Hon. Mr. Romanow:** — Well, I'll get the book in a few moments. That governments from time to time find themselves in the situation where retroactive legislation may or may not be needed. Clear that we all want to avoid those circumstances, but to give you a specific example, budget-driven matters are almost of necessity in a retroactive position. Those are dictated by public policy matters — public policy matters about cost, public matters about whose responsibility it is to carry the financial obligation on programs such as GRIP and NISA (net income stabilization account), and so forth. And in this circumstance, the legislation which we hope to introduce are a reflection of public policy.

And all I wanted to say in general terms was that the former administration did it; in fact all administrations have done it from time to time. This administration wants to limit those circumstances. But where of necessity we have to, we have to.

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

**Mr. Devine:** — My question is again to the Premier. Mr. Premier, I'm not sure if anybody understood what you just said there. You were all over the map.

You have said that it is not appropriate to have public hearings because you're afraid of what you will hear from the real people. You want the GRIP Bill rammed through this House and then you're looking for precedent, like land bank, and you're not giving people a chance when you're breaking this contract.

Will the Premier admit that his government is attempting to pass legislation which would have the effect of legitimizing the breaking of a contract and he's using land

bank for a precedent? That is what you said Friday, Mr. Premier. You said that land bank contracts were broken, therefore it was appropriate to break the GRIP contracts primarily for financial reasons. Isn't that the case you're making, Mr. Premier?

**Hon. Mr. Romanow:** — I say with the greatest of respect to the Leader of the Opposition and the former premier, that if he has difficulty understanding my answer, it may be occasioned by the fact that I'm having difficulty understanding the thrust of the question. Because the former premier talks about ramming through GRIP legislation.

Mr. Speaker, the reality of the situation is that the proposed Bill has been on the public agenda now for months — for sure, weeks — and it has not been able to be introduced. So it can hardly be said to be ramming it through. And that requires first and second reading debate, clause-by-clause debate, and third-party reading debate, third reading. All of these is an argument which I think belies the assumption of the question that somehow the government seeks to ram through.

Now in the second aspect of the question, I simply repeat what I said a moment ago, which I thought was clear. I'll do it more clearly if that's possible, to say to the former premier as follows. From time to time, governments find themselves, in the interests of the public at large, for the introduction of legislation which may have retroactive features to it. You simply did that, sir, on occasion; we may have to do it. We want to limit it. We have to act in the public interest when the public interest so demands. And that's what's behind us.

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

**Mr. Devine:** — A question to the Premier. Mr. Premier, you said on Friday, and I quote:

And the regulations cancel the contracts by changing the terms of reference of those rents. And I know that because I was engaged at that time, being out of politics, on behalf of farmers who saw this Bill retroactively affect real contracts.

Now that's what you said, that you were involved defending farmers because of retroactivity. And then you used land bank as an example. Well, Mr. Premier, to be consistent, if you look at section 6.3 of land bank repeal Act that you provided as an example, you can see that any participant, be they farmers or the Crown, had the continued right to sue or seek other legal remedy despite the legislation.

Now, Mr. Premier, the question is simply this: if you can use land bank as your example of retroactivity and how you want to do it and must do it, couldn't you at least be consistent with the media and the public and the farmers and let them have the right to sue to protect their contract? Because even you, sir, when you were in the legal profession, stood up for farmers against government so they couldn't break contracts. Couldn't you be consistent, Mr. Premier?

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

**Hon. Mr. Romanow:** — Mr. Speaker, I thank the Leader of the Opposition for that question. I do now have in front of me the quotation that he refers to, and I think to be fully fair about the answer that I gave, you will see on page 1539, Mr. Speaker, that I said the following. I said this:

So I say to the hon. members opposite they ought to be very consistent with respect to GRIP.

Now that's the end of the quotation and that was the point that I was making. Their argument was, as I read it in question period the other day and their argument has been over the years, that there ought not to be any retroactivity of legislation. And I'm simply saying that they are not consistent because in government they brought in retroactive legislation with respect to the land bank.

But the reality of the matter is, Mr. Speaker, that we're looking at here a situation, as I have just read, by the federal-provincial ministers, who called for a third line of defence payment in special circumstances which deal with crop drought and crop drought situations such as we may be facing now. And I'd say to the former premier and the Leader of the Opposition he should join us in the call for funds from Ottawa.

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

**Mr. Devine:** — Well we've seen this NDP Premier dance all over the place. A couple of points that I can draw to your attention. Number one, as the hon. member knows, he's mistaken with respect to land bank and the analogy but he has admitted that he plans to retroactively break the contract of GRIP. Secondly, I point out to the hon. member that land bank wasn't really popular and GRIP is, and particularly where farmers all across Saskatchewan know that they're not going to have a crop and they signed a contract with the provincial government and the federal government so they'd have some money to back it up and despite what the Crop Insurance minister says, crop insurance is to protect farmers against drought.

Mr. Premier, will you not at least be as consistent on your land bank logic and where we allowed farmers to sue the government? Why won't you stand in your place and say, as a lawyer I help farmers look after their rights and defend their contracts and I will grant the same privilege to other farmers and other lawyers in the province of Saskatchewan today under an NDP administration. Won't you do that, Mr. Premier?

**Hon. Mr. Romanow:** — Mr. Speaker, I say to the Leader of the Opposition that popularity is a rather unfortunate basis upon which to judge public policy.

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

**Hon. Mr. Romanow:** — This is not a matter of popularity, this is a question of doing the right thing. And we say that the right thing is, frankly with respect to the GRIP operation is that your government — I say this with the greatest of respect — permitted for the first time ever a large amount of off-loading on agricultural products and programs on to the province of Saskatchewan which is

agriculturally dependent. And the result was 150 million to \$200 million on to the GRIP program you negotiated that the taxpayers and the farmers themselves, as taxpayers and producers, have to pay for.

I'm saying that that's not consistent with this document, sir, that was your document in 1990. And this document said that there are some events which require additional income supplements that are over and above second-line programs. That's exactly what we want to do is put this thing on a proper basis, and we ask him to join us in this approach.

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

### Amalgamation of Rural Municipalities

**Mr. Goohsen:** — To the Minister of Rural Development who has said he intends to force rural municipalities to amalgamate into counties whether they like it or not. The minister knows that the further example of school bully government imposing its will on the public is causing rural municipalities to be extremely angry.

Yesterday the minister received a letter from the RM (rural municipality) — that was last Friday, I guess — of Reciprocity, which said:

The council of this rural municipality would like to express our outrage of the highest order in the plans of this government to amalgamate out of existence rural municipalities.

Now I'm sure you have that letter and I'm sure you're aware of it. The question: what does the minister have to say to the RM of Reciprocity? Will he tell them he doesn't care what they think; that they will just have to grin and bear it? What will the minister say?

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

**Hon. Mr. Cunningham:** — Mr. Speaker, the minister will say not to pay too much attention to the members opposite when they go around . . .

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

**Hon. Mr. Cunningham:** — Mr. Speaker, this government has no . . .

**The Speaker:** — Order.

**Hon. Mr. Cunningham:** — Mr. Speaker, this government has no intention to amalgamate RMs against their will. We have made that very clear. I've talked to the SARM (Saskatchewan Association of Rural Municipalities); I've talked to rural municipalities. I met with the president of the SARM and he is quite satisfied that our intentions are not to force anything on any RMs. We have asked them to look at their operations and to be as efficient as they can. And they all agree. I think that there's no difference in opinion. I think the scaremongering that's going on by the members opposite is the only thing that's raising the fear in the RMs.

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

**Mr. Goohsen:** — The Minister of Rural Development is following the footsteps of the Minister of Agriculture, I believe. And I believe that you are worrying councils unnecessarily. And I believe that you're just planning to ram it down their throats when they're not looking. And when they cry foul, you're just going to use your retroactive legislation to do your dirty work.

I have another question. Will the minister tell the House whether he too will pass retroactive legislation for a policy, and deem rural municipalities out of existence? Is that your secret plan, Mr. Minister?

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

**Hon. Mr. Cunningham:** — Mr. Speaker, I repeat again, the secret plan exists only in the minds of the members opposite.

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

**Mr. Goohsen:** — I have a very simple question for the minister. If this is all in my imagination, why then do you have in proposed legislation, one line that gives you the power to amalgamate municipalities whether they like it or not? Why are you taking the power if you don't really need it? If you never plan on using it, why take it?

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

**Hon. Mr. Cunningham:** — Mr. Speaker, the amendment that the member refers to was written by the department when one Neal Hardy was minister of Crop Insurance. It was approved by SARM. They were consulted with, and they approved of it. And we . . . (inaudible interjection) . . . That's absolutely true, Mr. Speaker. That was not rewritten by this government. That's a housekeeping amendment that was proposed by the previous administration.

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

**Mr. Goohsen:** — I believe that the minister and the people of this province know full well that the SARM is the Saskatchewan Association of Rural Municipalities and is an organization that represents municipal councils throughout this province.

As a reeve of a municipality for a number of years and councillor for many years before that, I want to assure you that the SARM is an honourable institution that always consults its membership on what's happening. And I never, ever heard anything of this proposed legislation that you have introduced, other than the housekeeping in the rest of the Bill.

Mr. Minister, are you denying that all of the . . . all of the changes in the Bill were in fact from the previous administration with the exception of the one line that gives you the power to wipe out municipalities in this province?

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

**Hon. Mr. Cunningham:** — Mr. Speaker, I repeat again

that that was in the proposed legislation that was written by the previous administration. I want to say, Mr. Speaker, that I met with Mr. Bernard Kirwan, who is the president of SARM, in Swift Current last week. And he has no concern with this particular amendment.

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

### **Crop Insurance for Drought Conditions**

**Mr. Martens:** — Will the minister responsible for Crop Insurance tell us today what the volume of income shortfall will occur because of the drought in the Tisdale area, Cudworth, and St. Walburg. Will you give us an indication of your department's estimate of that loss?

**Hon. Mr. Cunningham:** — Mr. Speaker, in order to do that I would have to know the exact yields and predict the yields and also the prices that we're going to get for the grain over the next 18 months. So I think the question is a little bit out of line. And again I think the members opposite should come back to help us to get some drought assistance for areas that do indeed suffer from drought.

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

**Mr. Martens:** — Mr. Speaker, that's exactly the reason why we're asking the questions. We want this government to reintroduce GRIP '91, which will provide for 100 per cent, which will provide for 100 per cent . . .

**The Speaker:** — Order, order. I'm going to call the member from Regina Rosemont to order. Please do not interfere when the members are asking questions.

**Mr. Martens:** — Mr. Speaker, that is precisely the point I want to make — 100 per cent of your average will give them sufficient income in drought periods of time. That's the thing that we've been arguing all the time. And it's now for the first time beginning to register at Tisdale, Melfort, Cudworth, St. Walburg, all across the North.

Are you prepared to allow your government to take some responsibility for the crop insurance that they're missing out on? And the federal government's . . . you said off-loading, you're forcing the federal government to off-load. Are you now prepared to allow some of that '91 to flow into there?

**Hon. Mr. Cunningham:** — Mr. Speaker, the member opposite again neglects to tell the farmers that the old program as it was in '91 would have had higher premiums than we had this year, would have had lower coverage than it had last year. So it is not the same program that was in existence last year under the rules from '91.

I think, Mr. Speaker, that there is no doubt the old GRIP was not adequate in a drought situation. The new GRIP is not adequate in a drought situation. And we were promised third line of defence in case of disaster, and we are now asking for that.

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

**Mr. Martens:** — Mr. Speaker, the professor of agriculture

economics at the University of Saskatchewan, I think he's the dean of agriculture, Mr. Hartley Furtan, sat on your debt committee and on the GRIP committee and he said to us in our caucus, he said that new 1992 drought . . . or GRIP is not worthwhile in a drought situation.

And that, Mr. Speaker, is the reason why we point this out. It's a disaster. We want to know from you: are you prepared to top up from '91 GRIP . . . from '92 GRIP to '91, on 80 to 100 per cent coverage? Are you prepared to do that and pick up some of the money that the federal government could give you?

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

**Hon. Mr. Cunningham:** — Mr. Speaker, again that shortfall, which is 500 million to \$1 billion, is a federal responsibility and must be picked up by the federal government.

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

**Mr. Martens:** — Mr. Speaker, the revenue and GRIP insurance in the province of Alberta and the province of Manitoba, they decided that they were going to be consistent with '91 GRIP and 100 per cent coverage. Why won't you provide 100 per cent of average coverage so that those farmers can pick that up and have that as a firm, drought protection plan in the province of Saskatchewan? Why don't you acknowledge that and do it?

**Hon. Mr. Cunningham:** — Mr. Speaker, the old GRIP program was not adequate in drought situations; it hasn't been admitted by the federal government, hasn't been admitted by the members opposite when they were in government.

Mr. Speaker, the Manitoba option — we've seen them making changes to their programs as well when the lentil acreage went through the roof because of flaws in the program. So I think, Mr. Speaker, we still have got to get that third line of defence from the federal government.

**Mr. Devine:** — Mr. Speaker, I go to my question back to the Premier. Mr. Premier, do you see the point and the logic that we have?

Farmers in Alberta, Mr. Premier, who have 1991 GRIP, improved, and they get third line of defence and 100 per cent coverage. Farmers in Manitoba have 1991 GRIP, improved, and they've got 100 per cent coverage, and they'll get third line of defence. And they'll make more money and more coverage than the farmers in Saskatchewan, and we grow most of the wheat. Mr. Premier, won't you now tell your Minister of Agriculture and Crop Insurance minister and all your MLAs, Mr. Premier, that you will now consider doing your part in at least being as consistent as the Government of Manitoba and the Government of Alberta in defending farmers here in the province of Saskatchewan.

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

**Hon. Mr. Romanow:** — Mr. Speaker, I thank the Leader of the Opposition for that question, and I would say to him and remind the members of the House, the paper in 1990

— June 30, report to ministers of Agriculture — talked about second and third line of defences and talked in terms of the third line as events which may require additional income supplements over that provided by second-line programs. This is one of the events.

These are the principles, and the 1988 drought program was an example of that third-line measure. You signed that report, sir, and you supported that idea. Moreover the problem of farmers is occasioned by matters beyond their control or a province; it's the international grains war.

I would say also, Mr. Speaker, in concluding the answer, that the federal share of funding of agriculture programs has gone from 100 per cent to 59 per cent, and the provincial share has gone from 0 to 41 per cent. And, Mr. Speaker, the Leader of the Opposition is asking us, in the face of the fact that he virtually bankrupted this province, to pump some more money on those circumstances. I say that's the wrong way to go, and the farmers know it themselves.

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

### POINT OF ORDER

**Mr. Neudorf:** — Before orders of the day, a point of order, Mr. Speaker. On Friday, the Minister of Health tabled an answer to written question no. 43 regarding the so-called wellness team. And that answer provides an important point of order which I'm going to, as succinctly as possible, outline to you and to members of this Assembly because of the precedent that it could set.

And I will read the question for the Assembly:

Regarding the wellness team announced by the Minister of Health: (1) what are the names of the members, including qualifications; (2) What are the names of the organizations and individuals the team has consulted with and on what date did those consultations occur?

That was the question, Mr. Speaker, that was put. And as you know that the government has three ways in which to respond to questions like that. It can choose to answer them in five days, agreed to under the trial rules that we have before us. Or it can ask them to be converted to orders for return non-debatable and answer within the much longer period of time, as the minister chose to do. Or it can simply convert them over to orders for returns debatable so that they can amend them and then answer the questions and parts of the questions as they see most appropriate for the government of the time. Those are the three options, Mr. Speaker.

But the government, I would suggest to you, does not have the option of tabling a written answer that answers only part of the question and refuses to answer the other parts of the questions. The only way it can accomplish that is to debate the need for such an amendment that would allow them to answer it accordingly.

(1415)

Now, Mr. Speaker, in the case of question 43, the

government unilaterally amended the question. The answer provided — and I have a copy of it in front of me here; I won't bother going into the answer — the answer provided lists . . . does list, as I requested, the names of the organizations consulted, but it provides only the number of individuals consulted. This is an answer to a different question that would have been, simply stating . . . instead of just having the names of the organizations and the names of the individuals, rather that the team it consulted with, and then name the number of individuals only.

And that's a very different question, Mr. Speaker, but it is in fact the one that the government has answered.

So in conclusion, Mr. Speaker, if the government wishes to keep the names of individuals consulted secret, as it has chosen to do, then it can only do so by debating a motion for return and setting out reasons for maintaining such secrecy.

Clearly there has been a breach here, Mr. Speaker. And I suggest the only remedy is to replace question 43 on the order paper and give the government the opportunity to either answer it appropriately or change it to a motion for return debatable so that we can indeed debate it in this place. Thank you, Mr. Speaker.

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

**Hon. Mr. Shillington:** — Thank you very much. Thank you very much, Mr. Speaker. I think it is well established that the opposition members cannot use the guise of a point of order to quarrel with the information which is provided to them, either in response to written questions and estimates . . . or in response to written questions.

It is conceivable, Mr. Speaker, that a government might be so flippant in answering questions that it could be a legitimate point of order. However, I think it is well established where the opposition doesn't like the answer, doesn't agree with it, thinks it isn't accurate, that's not a point of order.

There are other avenues open to the opposition. They might re-ask the question. They might move a motion. But I think so long as the information is given, the questions are answered in a reasonable fashion, that is not a point of order.

**The Speaker:** — Order. This is a fairly complicated situation. I certainly will take the point of order under advisement and bring back a decision at my earliest convenience.

### ORDERS OF THE DAY

### WRITTEN QUESTIONS

**Hon. Mr. Shillington:** — Yes, with respect to question 44, we would request that this be converted to a motion for return (debatable).

**The Speaker:** — Motion for return (debatable). Order.

### GOVERNMENT ORDERS



## SECOND READINGS

**Bill No. 55 — An Act to amend The Farm Financial Stability Act (No. 3)**

**Hon. Mr. Wiens:** — Mr. Speaker, I made some extensive comments on both The Farm Financial Stability Amendment Act (No. 2) and The Farm Financial Stability Amendment Act (No. 3) on the previous sitting with respect to these matters, and I would now move second reading of The Farm Financial Stability Amendment Act, 1992 (No. 3).

**Mr. Martens:** — Thank you, Mr. Speaker. I want to take the time to make some observations about the role of the Minister of Agriculture in changing and making some of these amendments.

I want to point out to the Assembly that some observations that he made on Friday, I think, probably will frustrate farmers in the province of Saskatchewan equally as well as they frustrated the opposition, some of the statements that were made by the Minister of Agriculture. And I want to point out a number of them to you and to the Assembly.

There are a certain degree of responsibilities taken by individuals throughout the province when they assume mortgages and assume debt, and that is recognized as a serious component of what needs to be addressed. However in dealing with that, many people have not had the experience of systematically evolving a logical conclusion to an over-financed position that many farmers have.

And so what we have in dealing with these three amendments, we have some, I think, logical changes, but we also have some changes that I don't think make any sense. We need probably at this point in time more people providing information and counselling to people than we have ever had before. And dealing not only with financial crisis in agriculture but dealing with the life-style crisis that exists because of the financial implications made by lenders who are realizing on their assets. And that, Mr. Speaker, is causing very serious problems and concerns within the framework of the agriculture community.

And I believe, Mr. Speaker, and Mr. Minister, that you need to take a serious look at how to help farmers realize and benefit from the opportunities that they were being given.

Mr. Speaker, they were allowed to have the benefit of experience, give them the information that they needed. And now that is being curtailed, Mr. Speaker.

The Department of Agriculture thinks — and I don't think that they're right — that their crisis line is going to take away all of the necessity to deal with all of the problems that agriculture is going to face. And I believe that many, many farmers have been helped over the past 10 years because of other farmers giving them advice about what they were supposed to do.

And I think that that is a very, very important component

of what the community and assistance from the community and the benefits of that assistance from the community can provide to agriculture. People want to be talked to by their peers. They don't want some sophisticated individual coming out to their place and telling them, you did this wrong and you did that wrong and you did the other thing wrong. They're prepared to listen and understand from their peers what it is that they need to correct and what it is they need to be advised on and how to respond in a reasonable way. Many of these people do not have the experience in dealing with refinancing and how to handle that responsibility.

And, Mr. Speaker, I had individuals come to my office and talk to me about some of the things that they were doing in realizing what limitations they had and what they could do. And, Mr. Speaker, frankly they told me on many occasions that now that they had gone through the experience they would be able to provide to others some of those visions of opportunity that dealt with the kinds of things that they were going to have to deal with.

So again, as I did in item no. 1 and item no. 2 under The Farm Financial Stability Act, I'm going to adjourn debate and we'll continue with the orders of the day.

Debate adjourned.

**Bill No. 56 — An Act to amend The Personal Property Security Act**

**Hon. Mr. Wiens:** — Mr. Speaker, I'm pleased to rise today to move second reading of The Personal Property Security Amendment Act, 1992. The Personal Property Security Act provides for a code with respect to the regulation of personal property security transactions. This Bill contains an amendment to simplify the existing input security interest for grain farmers and to extend that security interest to livestock producers.

Under the existing Act, lenders have found the technical requirements of this provision to be unnecessarily restrictive in providing operating credit to Saskatchewan farmers. The Farm Debt Advisory Committee and the Law Reform Commission of Saskatchewan in its tentative proposals for a new Personal Property Security Act have both recommended that this change take place.

Mr. Speaker, this government recognizes the necessity of operating credit to our agricultural industry and is accordingly taking this step to safeguard its continuing provision. Since it was enacted in 1980, the Saskatchewan Personal Property Security Act has served as a model for personal property security law for several other jurisdictions in Canada.

However, Mr. Speaker, the time has come to recognize certain changes in the world of computer technology and the impact of those changes on the personal property registry of Saskatchewan. The amendments in this Bill provide for a change in the definition of "financing change statement" and "financing statement." This will allow for registration of such statements by computer data transmission from remote locations to the office of the registry.

Another amendment will limit the liability of the personal property registrar for loss or damage suffered by a person either because of oral advice received from a government employee or by the failure to register or register correctly electronic data transmitted to the registry's data base from a remote location. This change is necessary to accommodate new technology without creating undue liability on behalf of the government for actions taken in good faith.

This Bill also provides for an expansion of the regulation-making power of the Lieutenant Governor in Council to provide for the express ability to prescribe the form and content of such electronic data registration.

Mr. Speaker, I move second reading of An Act to amend The Personal Property Security Act.

**Mr. Martens:** — Mr. Speaker, I want to make a few remarks and they will be somewhat in the forms of questions. We had a lot of interest given to us and provided to us from credit unions across the province saying that they did not have a level playing-field in dealing with personal property security as did banks under rule 78. And I was hoping that you would say something about that in this context. I'm not sure that you outlined to us that that's what you were intending to do.

And therefore I have a lot of questions that I'm going to raise because I had anticipated from the title and the Act, because that's what they deal with that there . . . the credit unions did and were seeking an opportunity to deal with the kind of financing tool that would make a level playing-field in their operations in relation to the Canadian banks.

We will take a look at the details of the things that you have provided there. And it sounded to me that it was a computerization of the process, more or less. We will take a look at it; we'll do an assessment of it.

And, Mr. Speaker, therefore I move to adjourn debate and we'll take a serious look at what you have said.

Debate adjourned.

#### **Bill No. 62 — An Act to amend The Fuel Tax Act, 1987**

**Hon. Mr. Tchorzewski:** — Thank you, Mr. Chairman. The Bill that I am about to speak to and will move second reading is An Act to amend The Fuel Tax Act, 1987. The Bill increases the tax on gasoline and diesel fuel from 10 cents to 13 cents per litre effective May 8, 1992, as was announced in the budget, Mr. Speaker, and is in place.

This change is expected to yield an additional \$47.3 million in '92-93 in revenues to the province. Also, Mr. Speaker, this Bill provides for changes to the farm fuel program to ensure that the fuel tax exemption is provided only to those persons who are entitled to it.

When the previous administration introduced The Fuel Tax Act in 1987 they failed to introduce proper controls. As a result, the amount of tax-free gasoline sold in Saskatchewan increased by 32 per cent while the tax-paid gasoline decreased by 21 per cent, and a similar

change occurred with diesel fuel, Mr. Speaker.

By comparison, tax-free farm gasoline and diesel fuel actually declined in both the provinces of Manitoba and Alberta during the same period the tax-free fuel increased by so much in Saskatchewan.

The tax loss from the misuse of tax-free fuel in Saskatchewan has grown to an estimated \$25 million per year. In some cases individuals and businesses who were not entitled to the fuel tax exemption were receiving a benefit of up to \$50,000 by not paying tax on fuel that was used for non-farming or other taxable activity.

Mr. Speaker, Saskatchewan simply cannot continue to sustain this type of loss nor is it fair for those individuals and businesses who properly report and pay the fuel tax.

The Department of Finance has received two or three complaints almost every week for the past three years on the misuse of tax-free fuel. These complaints are being investigated and several types of tax evasion have been found. They include certain fuel dealers overstating their tax-free sales to farmers and individuals using or selling tax-free fuel for personal and non-farm business activities.

(1430)

Mr. Speaker, fuel tax assessments have been raised for tax-free farm fuel use in construction equipment, school buses, commercial backhoes, contractual work done for the Department of Highways, and for commercial trucking. However, often it is difficult to prove the actual amount of tax-free fuel that was diverted to a taxable activity and the assessments have to be revised accordingly. Once again, this points out that the previous fuel tax exemption program was unenforceable.

As a result, Mr. Speaker, starting on May 8, 1992, farmers are required to pay the tax on the farm fuel and they will be eligible for an annual rebate. In this way we can minimize the amount of fuel tax leakage and ensure that only eligible persons receive fuel tax relief, and that is farm operators.

Also, in order to reduce the paperwork for farmers, the Department of Finance will use information obtained from bulk fuel dealers to calculate the farmers' annual rebate. This means that farmers will not have to submit their fuel invoices for their bulk purchases of gasoline.

This Bill also introduces a diesel fuel colouring program starting in January 1, 1993. Under this program tax-free farm diesel fuel used in farm machinery, in farm trucks, will be coloured to distinguish it from clear diesel fuel that is tax paid. This is similar to the fuel colouring program in all other provinces with the exception of only one and that is New Brunswick.

This Bill, Mr. Speaker, contains several enforcement and administrative provisions dealing with the new fuel colouring program. We recognize that fuel colouring imposes a burden on farmers and fuel dealers; however we are keeping this burden to a minimum by only colouring diesel fuel.

Also the enforcement program will not have to be as extensive as was needed prior to 1982 when both gasoline and diesel fuel were coloured. Farm gasoline could have been coloured, Mr. Speaker, but this would have added to the inconvenience and cost to farmers and bulk dealers. Alternatively, we could have taxed both farm gasoline and diesel fuel, and provided an annual maximum rebate. However diesel fuel is the predominant fuel used in farm machinery and it is important for farmers to receive the tax exemption on diesel fuel at source, rather than wait for a rebate.

We examined many options, Mr. Speaker, before making the changes to the farm fuel program. While these changes may not be popular, they were necessary, and farmers will receive over \$95 million in annual tax relief — fuel tax relief, that is.

The changes to the farm fuel program, Mr. Speaker, also apply to commercial fishermen, trappers, and loggers, so they will continue the benefit from the fuel tax exemption and rebate programs.

Other amendments contained in this Bill include provisions to license fuel importers and exporters to provide greater control over fuel imports and exports.

In the past there have been some abuses of tax re fuel imports being used for taxable purpose and not being reported. Therefore, Mr. Speaker, fuel importers will be required to report their fuel imports in advance and pay a deposit so there will be improved controls over tax re fuel coming into Saskatchewan.

In addition, persons who export fuel must become licensed and account for the burden on their fuel exports. In the past there have been several complaints of persons purchasing fuel tax free for export, but not taking it out of the province. Subsequently this may end up being sold for taxable use in Saskatchewan. As a result, fuel exporters will be required to pay a deposit equivalent to the amount of tax that would otherwise be payable. This deposit will be refunded provided they submit satisfactory proof that the fuel was actually exported.

And finally, Mr. Speaker, the Bill establishes procedures for cancelling licences or permits issued under the Act, and establishes offences and fines for contravening the new provisions.

With that explanation, Mr. Speaker, I'm pleased to move second reading of this Bill, An Act to Amend the Fuel Tax Act, 1987.

**Mr. Swenson:** — Thank you, Mr. Speaker. I'll be making a few comments on this particular Bill to prepare the minister for Committee of the Whole at least, on this. And also I would hope that he will take my comments to heart and perhaps do a little more consultation with a few people around the piece.

Mr. Minister, I will suggest to you that the two or three complaints a day that you claim have been coming in to the Department of Finance over the last two or three years over people not paying the tax on diesel fuel, you will get

that same number of calls coming in from people who are very displeased with what you are currently trying to do.

I have had nearly every bulk dealer in my constituency and the city of Moose Jaw either complain verbally or in writing. And I believe you received a letter from the Moose Jaw Co-op recently in your department, signed by the board of directors. The costs associated with what you're proposing are not trivial. In the case of the Moose Jaw Co-op bulk fuel dealership, they're talking between 50 and \$100,000 in order to change their tankage and put in the necessary environmental requirements that are present today.

You are right that in 1982, when this colouring of fuels was discontinued by the government, there were far less problems involved. The environmental world has changed out there, Mr. Minister, and everyone from the farmer that is having the fuel delivered to him, to the bulk dealer, is under considerable financial stress these days because of the agricultural economy. They now have had many, many environmental implications added in the intervening 10 years.

My own farm is an example. I used to get by with two 500-gallon tanks — one for diesel fuel and one for gasoline. The diesel tank, even though it has two taps on it, is not divided. The requirement now to separate diesel fuel by colour, in my particular operations, means the purchase of at least another 500-gallon tank. And I say purchase, Mr. Minister, because most of the companies involved in the delivery of bulk fuels no longer like leasing programs like they used to in the past. They all want you to buy the tank.

In the case of underground tanks, the costs are even more onerous. In the intervening 10 years since we last had coloured fuel in this province, many farmers have taken the opportunity to bury their tanks — safety, environmental reasons, cost efficiency. Many of the companies had programs in the mid-'80s that encouraged the purchase of buried tanks. Those people don't have any choice now but to go to a new overhead or to dig in a buried tank if they're trying to keep their diesel fuel separate.

Many farmers, because of the agricultural economy in the 1980s, have diversified. They quite rightly have got into things like custom hauling of hay, custom hauling of grain, many custom operations that go along with farming. They may have partnerships involved. All of this is going to necessitate their access to both clear and coloured fuel.

And when one takes the number of bulk dealerships in this province, Mr. Minister, and if the numbers of the Moose Jaw Co-op, which is not a large dealership, are any indication of 50 to \$100,000, I would suggest to you, sir, that the cost for the people that have to implement your change are going to be very significant indeed.

That means in the case of the Moose Jaw Co-op, the dividend that might have gone to the patrons over the next couple of years may in fact be squashed, that individual farmers when faced with choices such as that may not have any option, Mr. Minister, but to simply try

and ignore some of the regulations because — quite frankly — a lot of them don't have 3 or \$4,000 to upgrade their tankage at this time. And that's what you're asking them to do.

I'm not so sure, Mr. Minister, the ceilings that you have put on under this particular Act as far as rebates are reasonable either. And I know you've gave the indication that all is open for review at a later date. But I will suggest to you, Mr. Minister, that there should have probably been a little more consultation involved in this process before you launched off with this endeavour before we had what we have today here.

Any bulk dealer in Saskatchewan would have told you the costs that are associated with this kind of change ahead of time. Any farmer faced with buying a new set of tankage would have told you what those costs were. And I would suggest to you that any farm organization that truly represents its members in asking about the limits, the limits on tax-free fuel, would have suggested to you today in a very intensified agricultural situation that maybe \$900 isn't sufficient.

So I think, Mr. Minister, there are number of areas about this Bill that are raising a great deal of concern with folks in Saskatchewan. I know that I plan on meeting with some of the bulk dealers personally and asking them specifics so that I can bring it back to this legislature and ask you those questions during Committee of the Whole.

And I know that many members in my caucus are receiving the same kind of correspondence, same kind of correspondence from people in their ridings, both on the commercial side and on the end-user side that says that there's going to be a lot of unhappiness with what you've done.

Besides I would suggest you increasing the costs that go along with the production of a basic farm stuff, farm products, by another tax increase when you campaigned so hardily against raising taxes in the last provincial election, and that given that a number of them do wish to make comments, I would move, Mr. Speaker, that we adjourn debate at this time.

Debate adjourned.

## ADJOURNED DEBATES

### SECOND READINGS

#### Bill No. 10

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Penner that **Bill No. 10 — An Act to amend The Crown Minerals Act and to make consequential amendments to certain other Acts resulting from the enactment of this Act** be now read a second time.

**Mr. Goohsen:** — Thank you, Mr. Speaker. I just want to go back to a month and a half back in my thoughts here where we were dealing with this Bill originally. And I want to just sort of conclude and draw some conclusions from the remarks I made then just to refresh the minister's

memory. Because I have sincere hopes that after his lengthy deliberations and time to deliberate with the people in the petroleum industry, that he might seriously be considering some amendments to this Act that would perhaps help folks in the industry to continue on in our province.

While it would be politically nice for me to see him fall flat on the face of his ministry, it certainly would do no pleasure for me to watch that kind of harm come to our province that could result from this particular Bill going through in its original state.

The truth of the matter is that nobody has any faith in this government with retroactivity, and especially in an Act where retroactivity would result in the potential for people to be required to pay royalty taxes from the past back 20 years. Retroactive royalty taxes, Mr. Speaker, must not happen, or there will never be another new oil business start in this province ever again.

And I know that this minister is a man who understands the importance of the industry because of the seat that he represents and the importance that that industry plays in our area of the province. I know that he has no personal interest in destroying the petroleum industry, and if he truly is trying to do his job to the best of his ability — and I'm sure that he feels in his heart that that's what he's doing — then he must consider the results of the implications, not necessarily the intent of what he's doing, but the implications of what people might read out of the wording in the Bill.

We have just gone through a period where we see this government giving people a lot of worry. We have things like the right of searching of homes coming into one piece of legislation in our environmental Act. The right to search homes without warrants, simply by kicking down the doors and the implications there that you could end up being a police state situation.

And that throws a lot of fear into people. People in the petroleum industry then see this particular Act with a retroactive clause, allowing the minister to simply declare that somebody hasn't paid enough taxes and then set the machinery of our legal system and our police system after them to collect it. And that throws fear into people whether it is intended to be used or not.

It will scare people out of our province and it will scare people out of the industry. And as I mentioned to the minister in my deliberation and comments some time back, if I were going to be starting an oil business in Saskatchewan and I saw this Bill, I would pack up my suitcase and leave right now. And I believe that every other business man would do the same.

We have been threatened with labour legislation, and I'm hoping that that never happens in our province the way it's been suggested to me that it might be going to. Because here again, we would be throwing a fear into people in business, especially in the petroleum industry. And when they see the potential of that kind of thing happening or that being suggested, they go back to this particular Bill and they say this one affects us directly. If they'll do it to us here, then they'll most likely do it some

place else and we're just not going to fool around and take a chance.

And so that's just what's happening. We see Rural Development taking power in a Bill that the minister admits that he doesn't really need, and he says today that he doesn't really plan on using, yet he takes that power. And it frightens people to see a government grabbing up power in Bill after Bill after Bill in every different sector of our society.

We have another minister that deems that farmers have gotten letters that they never got. That kind of thing has got people very fearful in our society, Mr. Speaker. They are worried and business people who have to deal with cash dollars that can be lost at the turn of a hand with the government, just will not take those kinds of chances.

And so I suggest, Mr. Speaker, that the minister has had time to look at this thing again. I believe that he has had meetings now with some people in the petroleum industry, and I sincerely hope that he will go back now to the drawing board and bring in those amendments. Having a good confidence that he might do that, I'm going to allow this piece of legislation to go on to committee and I thank you for your time.

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

(1445)

#### Bill No. 53

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cunningham that **Bill No. 53 — An Act to amend The Farm Financial Stability Act** be now read a second time.

**Mr. Martens:** — Thank you, Mr. Speaker. There are a number of items in this Bill that I think are reasonable and commendable.

I have given this . . . taken the opportunity to pass this on to the livestock feeders' association and they have some concerns that they've expressed to me on dealing with a couple points. One is that the change of how the producers pay the association and then the association has to pay the lender is not too clear to them from what you have addressed in this Bill.

They would like to have an explanation of that because the way the process works now, the individual . . . or the association sells the livestock, they pay off that individual's loan. In the Bill it talks about paying off the whole loan of the association and that causes a great deal of concern on the part of the feeder associations in dealing with those individual commodities.

However if the minister has some explanation about why they're doing it that way, we may or not accept what he has to say.

But they have expressed a concern at how the wording of the Bill is in those sections. And we want to raise that with you. It deals with sections 5 and 7 and those are the areas of their concern.

They have spoken to me because I belong to a feeder association and a breeder association and I know what they're about. And therefore they have approached me and asked me whether I'd bring that to your attention as a part of our discussion in the Committee of the Whole. So we'll leave it go for now and then we'll resume the debate under that circumstance.

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

#### Bill No. 59

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cunningham that **Bill No. 59 — An Act to amend The Agri-Food Act** be now read a second time.

**Mr. Martens:** — Thank you, Mr. Speaker. There are a number of items that need to be taken a look at. We had a lot of discussion in the winter of '91 and the spring of '91 dealing with some of the concern that the pork board had in dealing with Moose Jaw Packers. And we are . . . I think these are there to deal with some of those concerns.

We were going to ask more questions about how you deal with your percentages, how you roll them through, and what you're going to anticipate happening. We're also going to ask you some questions about what you perceive in your philosophy between the development commissions and the development boards and realizing that there is a significant difference in how you handle them. So we'll be allowing this to go to committee, but we'll be asking questions in those areas to help the producers know exactly what's going on.

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

#### COMMITTEE OF THE WHOLE

##### Bill No. 52 — An Act to amend The Senior Citizens' Heritage Program Act

**The Chair:** — Would the minister please introduce her officials.

**Hon. Ms. MacKinnon:** — Thank you, Mr. Deputy Speaker. It's my great pleasure to introduce Dan Perrins, who is the secretary to the Seniors' Secretariat; Mr. Del Fuchs, who is the director of programs for the Seniors' Secretariat.

#### Clause 1

**Mr. Toth:** — Thank you, Mr. Chairman. Mr. Chairman, I think before we agree to clause 1, we certainly must ask a few questions of the minister regarding the Act.

First of all, if I understand, this Act is changing the senior citizens' heritage grant. I believe it's eliminated a number of people from qualifying for the Act, and maybe the minister could just fill the House in regarding the Act and the reasons for taking out the individuals . . . or eliminating the ability of certain individuals to claim the

fund.

**Hon. Ms. MacKinnon:** — Yes, Mr. Deputy Speaker. In response to that question, what we did this year was we lowered the ceilings for eligibility. In the past, the income ceiling for eligibility was \$30,000. This year it's been lowered to \$22,000.

The other changes that we have made is we have ended the distinction between couples and singles. The thinking behind that was that a household is a household. And the people, the seniors who most frequently experience poverty, are single female seniors. So that was something that gave them greater protection. We also eliminated estates in the belief that the grant should go to seniors, not to the people who inherit their estates.

To return to the lowering of the ceiling, the idea behind that was to target the grants better to those in need. Those were the main changes.

The other change was we eliminated grants to rent-geared-to-income public housing. The rationale behind that change was that people in public housing are already heavily subsidized. If you take the subsidies coming from the two different levels of government, federal and provincial, the average level of subsidization in one year is between 6 to \$8,000.

So the idea was, in the sense of fairness, these people are already heavily subsidized. If you're going to give a grant to seniors, you should target, first of all, seniors most often experiencing poverty, single female seniors, and especially seniors struggling to maintain their own homes. So that's the general nature of the changes and the rationale.

**Mr. Toth:** — Thank you, Madam Minister. Coming back to the ceiling and correct me if I'm wrong, but if I'm not mistaken the original program, prior to the changes being implemented by this Act, the ceiling was 25 . . . well I shouldn't say . . . it was 30,000, but actually 25,000 you would qualify for the maximum, from 25,000 to 30,000, then it was prorated. So if you had a \$30,000 income, you were basically then down to zero. But 25 to 30, you could qualify for anywhere from 5 to \$100, if I'm not mistaken. Is that true?

**Hon. Ms. MacKinnon:** — That's right. It was graduated. And I guess the thinking of the government was that at \$30,000 income, in very difficult financial circumstances, that there was no rationale for subsidization.

**Mr. Toth:** — So that what you're saying now, Madam Minister, is the fact that 22 . . . there's a ceiling of 22,000, there isn't a prorating of the grant at all whatsoever. Once you're above the \$22,000, you don't qualify.

Coming back to talking about couples and singles. And forgive me, I didn't quite catch what you were saying, but do I understand that as a couple you wouldn't qualify for as much as a single? Singles are singled out as being able to qualify for more. It's still based on the 22,000. If you're a couple with an income factor of less than 22,000, you'd qualify for the whole amount as . . . Maybe I should ask

you what amount you'd qualify for, because I think maybe, if I'm not mistaken, 750 was the ceiling before, and as a single, I believe it was \$500. Maybe you could just give us those numbers if you don't mind, Madam Minister.

**Hon. Ms. MacKinnon:** — Previously a couple would be entitled to \$700, and a single to 500. What we've done is we've eliminated the distinction. And the rationale behind that was, a household is a household. So the expenses associated with a household are the same, relative whether you are a single or a couple.

And the other reason for that change was that the seniors who most frequently experience poverty are single women seniors. So it was to guarantee protection for that group of people.

**Mr. Toth:** — Thank you, Madam Minister. So the amount that's going out, just for my information, is the maximum \$500 this year, Madam Minister? It's \$500. And that's both. As you indicated, no distinction between the couple and the single. And I appreciate that. Maybe I'll have to get in front of the mike a little easier.

When we talk about singles . . . And I appreciate your comments, Madam Minister, because I know, and you probably find in your constituency as I do in mine, that certainly widows tend to be amongst the individuals that are affected most severely by lack of income. And a lot of that goes back over the period of the years where a lot of women chose to remain in the home and didn't have any outside income, and our tax laws didn't allow for their husbands even to pay them some income and get them on, say, Canada Pension.

And even if they were, and the husband was on Canada Pension . . . and I know of a similar circumstance. There are a number of circumstances in my constituency where a lady lost her husband when they were in their mid-50s and he wasn't eligible for Canada Pension Plan as yet, their income they had from selling their farm was minimal compared to what we have seen it, and of course with interest rates dropping off now, it has . . . At one time when her investment income was in that 10 to 12 per cent rate, she had what would be considered maybe, and she felt, was adequate to live on. Now at 5 per cent as her deposits are coming due, 5 per cent certainly has taken away a fair bit of income.

(1500)

What other sources is the government looking at in light of the fact that we've reduced . . . We realize \$500 isn't a lot of income, but certainly it means . . . \$500 would mean a fair bit to a person on a low income trying to maintain a home.

Are there any other forms or subsidies or grants or ways of reaching out and providing income to single women such as I've talked about and maybe that you're familiar with as well, to kind of help them through the hoops or get them . . . provide the necessary income for them to subsist or to exist, Madam Minister?

**Hon. Ms. MacKinnon:** — Thank you very much for that

question. Mr. Deputy Speaker, first of all to acknowledge your point, I think that seniors are having a difficult time because of the levelling off of interest rates. And I think it also means that some of their other programs like the federal pension that they get is geared to inflation. But as inflation levels off, their pension does not go up to the same extent.

But there are at least three different programs that we either have enhanced or introduced, that I think will help the single senior most susceptible to poverty, and actually will help families as well.

We have increased the payments under the Saskatchewan Income Plan, which is an income plan directed at low income seniors so those payments are being increased this year.

The other program, that we have entered into in co-operation with the federal government, will allow grants of up to \$2,500 to seniors who want to renovate their homes to make them accessible to disabled people. So that if you're a disabled senior and you have a desire to remain in your own home, there are now grants available to allow you to do that.

The final program is through New Careers and it will give assistance to low income people, including seniors, whose incomes are \$25,000 or less. And it will give them assistance in renovating homes as well — more home repairs. It will be basically a formula whereby the individual will have to pay the cost of materials but New Careers will come in and assess the work to be done and do the work.

So I think we are trying in the short term to be as sensitive as possible to the desire of seniors to remain independent as long as possible.

**Mr. Toth:** — I thank you, Madam Minister. And maybe before the House, you could just inform us what the increase has been to the Saskatchewan Income Plan, please.

**Hon. Ms. MacKinnon:** — The increase will come into effect October 1, and it will be \$10 a month per person.

**Mr. Toth:** — Madam Minister, when you talk of public housing, and as I understand it, residents of low rental type facilities where you had a subsidized . . . your rent was subsidized, you did qualify over the previous years for a certain amount. And I'm not sure if they qualified for the total amount of the grant and I'm wondering if you could inform the House whether they qualified for the total amount of the grant.

And when we talk of subsidized housing, am I to understand as well that seniors in rental housing or subsidized housing were also responsible for the upkeep and maintenance of those facilities, or was that maintenance kept up, maintained, by Canada Mortgage & Housing, Madam Minister?

**Hon. Ms. MacKinnon:** — Mr. Deputy Speaker, yes. To give you the information, in the past couples qualified, couples in public housing qualified for a grant of 400,

singles for a grant of 200. To answer the second question there, in subsidized housing the individuals, the seniors, are not responsible for the upkeep. It's the housing authority that is responsible for the upkeep. So that is again one of the rationales for not including public housing dwellers in the grants.

**Mr. Toth:** — I also note, Madam Minister, that the Bill indicates, or the Act indicates that as of December 31, 1992, the seniors' heritage grant will be discontinued. And I would assume from that that as of December 31, there will be no more money available through this grant. And my understanding when the Act was originally established, the idea was to help seniors on low fixed incomes, even though it was a modest amount, to try and maintain and keep their houses up.

And you did indicate that there are a couple of programs still available but I see they are specifically directed at disabled or people with disabilities to help maintain or help them exist in their own homes. And I know that many people prefer to remain in their own home as long as is possible. In light of a number of other changes that will be taking place in this fiscal year, budget-driven policies it would appear to me, I think it's going to be even more difficult for people to not only maintain their homes, but more people are going to be forced into trying to maintain their homes because of the lack of funding, as I understand, that'll be taking place in the area of health, the lack of funding for level 1 and 2 care.

I think it would be very appropriate that the . . . and I'm not sure where the government is heading down the road as they eliminate this grant, but certainly we must look at ways of reaching out to help those on low fixed incomes because I think we all agree that we should do as much as we can to help those who, due to circumstances beyond their control, are on a low fixed income which really puts them at an awkward position of trying to provide adequately for themselves in light of the fact that many seniors do find themselves in a position where health begins to deteriorate, the cost of drugs go up, or they run into more medical complications which means more drugs are involved and the higher expenses. We see the decrease in funding for help for diabetics.

And so as I indicated earlier, Madam Minister, although many families may not have necessarily felt that \$500 or the \$700 was a very large amount or was an amount that they maybe could exist without, for many individuals it was an amount that certainly gave them a little added income at the time of the year when they applied for the grant which is normally in the springtime.

So I'm just wondering, Madam Minister, I would assume that it's basically fiscally driven, but I'm wondering if you could just inform the House the real reasons for the discontinuance of the seniors' heritage program.

**Hon. Ms. MacKinnon:** — Mr. Deputy Speaker, yes, thank you for that question. I think the first point you made fits in very well with the government's wellness philosophy. I think a big part of wellness, from our point of view, is doing what we can to work with seniors to allow them to remain in their own homes as long as possible. And in the immediate budget before you there are at least two

measures which specifically are designed to do that, that is to assist seniors in remaining in their own homes as long as possible.

And what I would cite there is about a 20 per cent increase in home-based health care. I know home care is something that seniors value very highly. And a lot of the seniors I talked to said, well all right, if you're going to reduce the heritage or eliminate it, this is something that we would consider if in fact there is some kind of compensation. And the compensation most frequently mentioned to me was home care. So there has been a close to 20 per cent increase in home-based health care services, the biggest component of which would be home care.

The other program that is currently in effect is the one I mentioned initially, that is people with incomes less than \$25,000 who do not have to be disabled can get a assistance in making home repairs through the New Careers Corporation. So that is an immediate measure designed to deal with that situation.

In the longer term though, the aim of the government is to review all income programs, including the seniors' programs. So there will be two reviews occurring this year. In fact they're already beginning. One is the government review in which we'll take all income programs — and we use the word income very broadly to include health care benefits, housing benefits — we'll take the whole piece and say, all right, are we using the dollars in the system as effectively as possible. At the same time, the Senior Citizens' Provincial Council has initiated a review of its own which will cover similar territory and work with seniors' groups to answer that question as well.

So that's the framework under which we're operating. No doubt the level of debt that we inherited has meant that we have to cut back. We also have to use the dollars in the system as effectively as possible.

**Mr. Toth:** — Madam Minister, you talked about the increase in funding to home care. And I just want to bring this to your attention, and maybe you could discuss it with your cabinet colleagues and certainly the Minister of Finance because even though I agree with the fact that I think some . . . I don't agree with large government, the fact that we should have a little program here and a little program there. It would be more appropriate if we would deal with people's needs on the basis of one aspect in which people can have the assistance at their fingertips rather than always having to look for government to hand something out through a program such as the seniors' heritage grant.

The fact is, regarding the home care program, I think you mentioned something like 20 or 21 per cent increase. And certainly the Minister of Health indicated that the government has made a commitment to that. I just want to indicate that one of the local care home boards or home care boards indeed put a budget together based on the assumption that they believed some 19 to 20 per cent increase was going to be coming in their level of funding, only to find out when the funding actually came through there was only 5 per cent increase allotted to them which

left them with a budget . . . or a budget that they had planned being \$50,000 short.

And I know a couple people that are involved on this home care board. They were warning the administrator to basically hold the line and not to jump to conclusions prior to the day that she saw the actual dollars available. Now they find themselves in a position of having to revamp their budget because indeed the 19 per cent or the 20 per cent, as we've heard in this House, didn't appear.

So I think the government is certainly going to have to take some very serious looks at some of the numbers they throw out. And before we . . . if we're going to say 21 per cent, we better really mean the 21 per cent. And maybe home care boards should be made aware of exactly the exact dollar value they're going to be seeing.

And maybe another thing I would suggest before we start throwing out percentages, maybe we should put actual dollar figures out because when I hear 21 per cent, I assume 21 per cent would be made available to all home care boards.

And I'm not exactly sure what happened in this situation, but the actual 5 per cent they've received is quite a distance from the 21 per cent. So that's going to leave them in a position where they are not going to be able to meet the demand for the services that I know is going to be falling on the doorstep in light of a number of other government moves.

Another thing I would like to mention, Madam Minister . . . and I think that something that a lot of people really believed in and believe in planning for their future is the Saskatchewan Pension Plan. I think that just from some of the comments that you've made this afternoon, Madam Minister, that it would be appropriate that the government should be looking at ways of helping people plan for the future so that they're not looking and always expecting . . . or having to rely on government. And I believe when you look at the Saskatchewan Pension Plan, it was an excellent plan that gave people an ability to plan for the future by looking ahead and investing for their future.

In most cases, as the numbers will indicate, some 80 per cent of the people involved in the Saskatchewan Pension Plan were women. And I would suggest that women got involved because they wanted to be independent. They didn't want to have to be always relying on other forms or other agencies when they reached retirement age only to find that they didn't have a pension plan adequately set aside.

So I think I would ask, Madam Minister, that a serious reconsideration be given to the Saskatchewan Pension Plan. And I believe it would be very appropriate in the long run for governments to indeed inject a bit to help those on lower fixed incomes to plan for their retirement — single women in the work place on minimum wage; to offer the challenge, to put a bit of an incentive out there; to put, whether it's a hundred or \$200 matching so that women or individuals on those low fixed incomes do plan for the future.



And when they reach that retirement age, Madam Minister, I think as people have the ability to plan for retirement, as governments work together to help people plan for their retirement, we will find ourselves in a position where we don't have to . . . we will not be looking at grants such as senior citizens' heritage grant. Even though it was minimal, to a lot of families it was a substantial sum of money and it was really appreciated.

(1515)

So unless my colleagues have other questions, I don't have . . . member from Morse has a question or two. But I just throw these out, Madam Minister, suggesting that we should look at ways in which we can really help people plan.

As I indicated, the Saskatchewan Pension Plan was one way, and the second factor is rather than just throwing out percentages, we should have actual dollars so home care boards don't find themselves in the difficult position of the one that I'm talking of right now.

**Hon. Ms. MacKinnon:** — Thank you, Mr. Deputy Speaker. I just thought I'd respond to a couple of the points you made here.

With respect to the health care issues, I know that you can take that up in greater detail in the health care estimates, but there are a couple of points that I did want to make. What I said the increase was, I said it was in the nature of 20 per cent. It's 19.5 per cent in home-based services, and home care would only be one of such services.

I think it's probably a good idea to get all the local boards to check what their level of increase will be, because as in other increases, you say the average is such and such a per cent, but depending on the district, there will be variances.

And I just wanted to say as well, I think there are some very good points made there about pensions, for women especially, and some of the long-term strategies we could put in place. These are the sorts of things that are going to be looked at in the income security review. And there are other departments as well that could be involved in long-term solutions, for example the Department of Labour. To ensure pension benefits to part-time workers would, in the long term, help a lot of women in that 70 per cent of the people working part time are women. But I think a lot of the points you raised about targeting long-term solutions are very good.

**Mr. Toth:** — One more follow-up, Madam Minister, and that was regarding the home care based support for home care. And I think the one point I brought out, I just want to reiterate that it would be appropriate to follow through. Because my understanding from the board in questions I bring up, obviously the administrator had the same impression that I had, and I think my colleagues have.

You indicated that was in one sector, a 19.5 per cent increase. And it's certainly thrown them in a position where they took the 19.5 as coming on their overall budget. And so they find themselves in very difficult

position. It would be appropriate to at least let them know exactly where the increases were, what the amounts were, and possibly they wouldn't have found themselves in that position. So I'm just passing it on for information purposes.

**Ms. Haverstock:** — Thank you, Mr. Chairman. Madam Minister, this is regarding clause 3. How many persons have been excluded as a result of those living in public housing from eligibility?

**Hon. Ms. MacKinnon:** — Mr. Deputy Speaker, 10,900.

**Ms. Haverstock:** — Madam Minister, how . . . I'm curious as to the dollars that then are available to the government as a result of their lack of eligibility.

**Hon. Ms. MacKinnon:** — Mr. Deputy Speaker, the total savings from the changes to the program as a whole, 10.9 million; the changes to public housing specifically, 2.2 million.

**Ms. Haverstock:** — Thank you. Madam Minister, did your department consult with persons affected before making this change? And if so, can you provide the details of these consultations?

**Hon. Ms. MacKinnon:** — Mr. Deputy Speaker, I spoke to a number of seniors' organizations about the changes that we were contemplating. I spoke with 25 different groups, seniors' groups. And because the meetings were about a variety of issues, the information that they all received varied, depending on what their interest was.

But I think it's fair to say seniors knew the sorts of changes that we were contemplating and the rationale behind them. In the Seniors' Secretariat we're especially advantaged because we have a group called the seniors' provincial council which has 15 people on it, not chosen by government but chosen by the seniors' organizations themselves. All the government gets to do is to choose. Out of say 60 seniors' groups, we pick 15. And these people were fully aware as we went through the process, of what we were considering. So I think there was a high level of consultation.

I think the idea of excluding people in public housing was controversial. But we felt justified because of the level of subsidization occurring to these people, that they were heavily subsidized.

**Ms. Haverstock:** — Thank you, Madam Minister. Before removing their eligibility for those residents in public housing, did you calculate what effect this might have on individual financial planning, and particularly of course with seniors' budgets? I think that often they're very much stretched to the limit. And I'll add a corollary to this. Did you do any studies, and did you have any idea of how many persons may be experiencing difficulties as a result of your proposed actions?

**Hon. Ms. MacKinnon:** — What we did . . . By the way, in the consultations, what we talked about most frequently was total elimination immediately. So that this is the softer of the alternatives contemplated.

Part of the reason for the increase in the SIP (Saskatchewan Income Plan) grants is to compensate people living in public housing. And if you look at that increase, it doesn't entirely compensate the single senior, but it comes close.

So we felt that relative to other groups being affected by changes in government legislation, seniors were reasonably well off. And I think there's some support from seniors' organizations to that effect as well.

**Ms. Haverstock:** — Thank you, Madam Minister. If I'm able to understand then, there may be a means by which individuals who have not planned on this reduction being available . . . or monies being available to them, that they're compensated in some way?

**Hon. Ms. MacKinnon:** — Assuming that if they're in subsidized housing they have lower incomes, they will be getting an increase in their SIP grants which will in part compensate for the loss to people in public housing. Because their grant, in single and public housing, their grant was only \$200. So the SIP grant increase over the year will come closer than it does to the people in households.

But as I say, the rationale for the public housing was one that I can justify I think, in difficult times. A very high level of subsidization — 6 to \$8,000 a year. And there's not another group in our society that we subsidize to that same level in housing.

**Ms. Haverstock:** — Madam Minister, I thank you. I can understand the financial difficulties not only facing the province, but I think I understand that it means that we have to have cuts in various places. What I'm most concerned about is for people to be able to do good planning on their own. And one of the things we're wishing of course is not only for governments to plan better with their monies but individuals to do so as well, to businesses to be able to do long-term planning, and farmers be able to do the same.

I guess what I'm concerned about here is that people would not know that this is going to happen. And often with the rigidity, the inflexibility in a senior's income, that this would have a major impact on a lot of people's lives. And even if it weren't going to be a long-term, deleterious effect financially, emotionally with elderly people it can cause an enormous amount of concern and stress in their lives.

I'm wondering if you could just give me some consolation perhaps, that you have not heard from numbers of people being very concerned about what has happened to them. Because that's actually one of the . . . the greatest concerns that I have is not that you have to make some changes in financial planning for seniors, but that they are unaware of what's coming and that it has created difficulty for them.

**Hon. Ms. MacKinnon:** — Mr. Deputy Speaker, I would say of all the government cuts that have occurred, this was one that was the best known. That is, seniors' groups, when I talked to them I said, yes it is up there on the Table. The press covered it extensively. I never denied that it was

under review. So seniors were aware that this was a program which they may very well lose at some point.

I think, in fact we feel, that we're being kind by giving a one-year's warning to a lot of them that this is coming. But if you go back in the press reports, I was asked very soon after being appointed minister what was going to happen to the seniors' heritage program. And I said consistently, it's under review, which means that it may be changed or it may be eliminated.

As far as comfort, I have an excerpt from a seniors' newspaper. It's called seniors' *Commentary*, and it talks about the budget. And it says: "Bitter medicine" the budget as it affects seniors. It says at one point:

On the whole, though, seniors (particularly those on low incomes) didn't fare too badly.

. . . on the brighter side, the government increased funding for home care by \$6-million — a hike of almost 20% which most other areas of the budget did not receive.

. . . the Heritage program was not eliminated which many seniors thought might happen.

Again reinforcing the point I was making. They thought it could go this year.

Instead the eligibility ceiling of \$30,000 (total income in 1991) was reduced to \$22,000.

And another point the same article says:

The government found itself caught between the devil and the deep blue sea, but without stern economic measures at this time the situation would deteriorate even further.

Simply stated, taxpayers in a province of just under one million . . . cannot afford to pay \$1.5 million every single day just to cover the interest on Saskatchewan's debt — not without placing our cherished social programs in severe jeopardy.

The last line is:

Tough as it is to swallow, the government did its best to be fair — especially to seniors.

And I think that reflects a lot of the views that I heard as well.

Clause 1 agreed to.

Clauses 2 to 8 inclusive agreed to.

The committee agreed to report the Bill.

(1530)

# **Bill No. 38 — An Act to amend The Pest Control Products (Saskatchewan) Act**

## **Clause 1**

**The Chair:** — Would the Minister of Agriculture and Food please introduce his officials.

**Hon. Mr. Wiens:** — Mr. Chairman, I'm pleased to introduce the Deputy Minister of Agriculture and Food, Mr. Stuart Kramer, and on his right, Mr. John Buchan, director of soils and crops branch, Department of Agriculture and Food.

**Mr. Martens:** — Thank you, Mr. Chairman. If you don't mind, Mr. Minister, would you provide for us a general overview of how your licensing program or process would be implemented here in relation to who it would apply and to the amount of people you've talked to to see whether in fact they agree with what you're trying to do here.

**Hon. Mr. Wiens:** — Mr. Chairman, I want to say first, with respect to the question, appreciate the opportunity to give a simple overview of those to whom the Act applies. It is in fact applying to all commercial vendors as defined by Agriculture Canada and with respect to the industry support for the measures, both the Western Fertilizer and Chemical Dealers Association and the Crop Protection Institute organizations in Saskatchewan that broadly represent the industry — probably represent around 2,000 businesses and vendors — are in support of these measures and we're the last province in Canada to put these measures in place.

**Mr. Martens:** — What reference and what involvement does The Environmental Management and Protection Act have so that we can put that in perspective in relation to this Bill?

**Hon. Mr. Wiens:** — Mr. Chairman, there may be further points to this question; I was just exploring other possible areas the question may apply to. I'm informed that the Act is superseded by the environmental protection Act in one case and that is where applicators are spraying over water. Are there other questions related to this that you're also interested too?

**Mr. Martens:** — No. I just was wondering how the environmental protection Act pertained to his and what . . . that's good.

This licence that is going to apply or that individuals will apply for, will this be a licence . . . for example will Sask Wheat Pool agents be required to have a licence? Will people in the Superstore who sell chemicals for lawns and gardens, will they have the same kind of licence requirements? And will they be required to understand what chemicals that they're selling to individuals across the counter?

**Hon. Mr. Wiens:** — Mr. Chairman, the way in which the Act applies to organizations like Sask Wheat Pool is that in every point of sale where they are selling commercial products, that they must have one licensed staff person on the facility. With respect to Superstore, kinds of examples are used, the sale of domestic product is exempted from the Act and domestic product is defined under the . . . by Agriculture Canada.

**Mr. Martens:** — Can you give me the corresponding control that Canada puts on that? Is that restrictive enough? And I know that cases where . . . provided to me where individuals would be selling a chemical like dimethoate in Superstore and putting it in a grocery cart and putting lettuce and tomatoes and all of those kinds of things on top of it. That's the kind of reference I'm looking for.

I'm not terribly concerned about Sask Wheat Pool not knowing what they're selling or the Shell or Imperial Oil not knowing what they're selling. I'm concerned more about the Canadian Tire and Superstore and whatever selling these commodities that they don't know exactly what implication they have when they have food contamination with it.

**Hon. Mr. Wiens:** — Mr. Chairman, I'm given to understand that the example you used in fact would not occur. A product of that kind of toxicity would not be saleable as a domestic product, that under the federal Act the products that are for domestic consumption are graded by toxicity so that they would be limited by their degree of risk.

**Mr. Martens:** — So will individuals have to qualify for the licence that they . . . that you're going to make them write an examination on the commodities? Is that going to be reviewed on a regular basis? Do they have to show that they have capacity after five years or three years or whatever? Can you give me an explanation about that?

**Hon. Mr. Wiens:** — Mr. Chairman, the individuals who will be licensed will in fact be taking a course. It's presently being developed by SIAST. It will be required that every five years they be renewed in that course, either by personal study or attendance at the institute for that course.

**Mr. Martens:** — Do you have any control over those commodities that are moved through a Canadian Tire store or — not necessarily a food store — but a Canadian Tire store, a non-grocery store entity, like a lot of co-ops have hardware stores and that sort of thing. Have you got that these people will be required to do their lawn and garden stuff the same way that the person in a farm service centre with Imperial Oil or whatever will be required to have that?

**Hon. Mr. Wiens:** — Mr. Chairman, with respect to any product for domestic consumption, it is the toxicity regulations' guidelines that Ag Canada provides that determines the rules.

Our regulations do apply to those products with respect to storage and handling so that you wouldn't be handling your lawn weed killer beside the bread in the grocery store. And the example you used, a commercial business that might traditionally have been in handling domestic products, could upon becoming a licensed vendor sell a commercial product. But the rules would be the same.

The distinction is between the domestic product sale, whether it happens in a store like Canadian Tire or Superstore on one hand and the commercial product of a higher toxicity on the other, where the vendor licensing

applies.

**Mr. Martens:** — So that based on toxicity, when Canadian Tire decides that they want to sell a commodity with that kind of toxic level, they will be required to have a licence. Is that correct?

**Hon. Mr. Wiens:** — Mr. Chairman, yes, that's right.

**Mr. Martens:** — And you said every five years that you anticipated that they'd have to renew their licence?

**Hon. Mr. Wiens:** — Mr. Chairman, it is proposed that when the regulations are in place they will be retested every five years but the licence will be renewed annually.

**Mr. Martens:** — By definition, who will be allowed to spray with . . . or use a chemical without a licence? Will a commercial applicator . . . And I think the airplane applicators are all licensed, but the majority of farmers who are not aerial applicators are not licensed. Are you anticipating that they're going to be required to have a licence to apply?

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, thanks for the question. It is the same Act that deals with applicators. And there is no anticipated change in that regard other than we are changing the terminology from permits to licences. But there is no change with respect to applicators at this time. These amendments deal strictly with vendors.

(1545)

**Mr. Martens:** — Can you define for me why you changed it from a permit to a licence — why the reference change is there?

**Hon. Mr. Wiens:** — Mr. Speaker, the reason for the change is to be consistent with national terminology, to try and conform to the same terminology that's been used in other places. There is no substantive issue in the change of terminology.

**Mr. Martens:** — Will farmers be required to take the tests that are available so that they can spray for their neighbour, or is that going to be one of those things that you overlook? Or is that going to be a reasonable item that they can say that I don't have to worry about myself becoming involved with a problem with somebody trying to make me have a licence just because I go and help my neighbour out?

**Hon. Mr. Wiens:** — Mr. Chairman, thanks for that question. The interpretation has not changed with respect to what happens with the farmer under the Act. The amendments we're presently making in the Act have to do simply with the vendors of the product.

**Mr. Martens:** — There are occasions when farmers are also vendors. What will trigger the licensing process when a farmer becomes a vendor?

**Hon. Mr. Wiens:** — Mr. Chairman, the interpretation is that — speaking slightly to your point you previously raised with respect to farmers helping each other out —

that there's no requirement under those circumstances as an applicator under the present interpretation of the existing Act, which we're not changing, that in that process of exchange there may even be chemical involved. But that the minute the farmer becomes involved in commercially selling a product, then they are like any other vendor.

**Mr. Martens:** — What makes that definition? When he puts an ad in the paper or when he tells his neighbour on the street or when he sells a certain volume of goods by dollar? Just what kind of a criteria are you using here?

**Hon. Mr. Wiens:** — What I'm informed by the department is that whenever it is no longer in exchange. When it is in fact a sale of product.

**Mr. Martens:** — Well we could have a lot of bartering going on in a short period of time if we only used that. I'm not going to dwell on that a long time, but I think you need to define what that is so that it's a reasonable amount and regulations could easily identify what that could be because there are certain times . . . If you, for example, sell a quart of Roundup, it has a significant impact if you . . . or pick up and trade a guy with a little bit of Glean for a little bit of Roundup, you know, what are you doing?

So I think that you need to define that a little more clearly in regulations so that they, the farmers, know what you're talking about. I'm not against the role of what you're doing here. I just think that they need to have a definition of that just to help them out so that they know.

**Hon. Mr. Wiens:** — Mr. Chairman, I appreciate the point and will ask the department, when they're writing the regulations, to make sure that point's addressed.

**Mr. Martens:** — Will the same application be made to municipalities who deal with this on a commercial basis? Will municipalities be required to have someone in hand, for example, if they sell warfarin or those kinds of gopher poison? Will they be required to have a licensed individual on hand for that?

**Hon. Mr. Wiens:** — Mr. Chairman, it would be my understanding that when they are selling a product that is described as a commercial pesticide, that they would be required to have a trained person there when sale occurred.

**Mr. Martens:** — Well are gopher poison and rat poison considered pesticides?

**Hon. Mr. Wiens:** — Mr. Chairman, the designation would at least be commercial and could be restricted, which is a higher level of restriction when we're talking about things like strychnine.

**Mr. Martens:** — I'm not sure that I understand the answer, but maybe you didn't understand the question. Will municipalities be required, if they have gopher poison and rat poison for sale, be required to have the licensed individual?

**Hon. Mr. Wiens:** — Mr. Chairman, yes.

**Mr. Martens:** — Does that follow then that they will be required, on the same basis as a vendor, to have that person on hand? For example, the RM secretary is probably the one that buys and sells the products. Would he or she then be required to have the licence or could they have the guy that's on the grader going down the road be the guy that's the one with the licence and provides the opportunity for them to do that?

**Hon. Mr. Wiens:** — Mr. Chairman, who in the municipality has the training isn't an issue. There must be a person in their employ to supervise the people who will be selling.

**Mr. Martens:** — Do they have to be present at the time of the sale? They're not selling this like a vendor is; they're selling it . . . you buy it at the RM office and you pick it up at the shed. Who's going to do that?

**Hon. Mr. Wiens:** — Mr. Chairman, I appreciate the question. This is a matter that will be defined in regulation. Those regulations are not yet written.

In order to be consistent with other provinces, it is likely that the direction that the regulations will go is that there must be someone in the employ to supervise practices but not present when the sale is made necessarily.

**Mr. Martens:** — Have you conferred with the RMs about this? I know that they will be surprised, I think, if you haven't talked to them about what they're going to be expected of them.

**Hon. Mr. Wiens:** — Mr. Speaker, there have not been any formal discussions on that question. But before the regulations are finalized, we will consult with them with respect to the regulations and to make sure that we have some mutual understanding about that.

**Mr. Martens:** — Would I be able to provide this observation, Mr. Minister, if I could, that you put a grandfathering clause into that component so that over a period of three to five years that they would be . . . that they'd know that this had to be done or at whatever period of time it would take to not only consult with them, but also to deliver an individual who would have the experience to do that.

I make that observation because I think that the benefits that accrue in those circumstances are an asset to individuals in the municipality. And I think I would not want to see municipalities stop doing that. For example, the one municipality that I live in, they provide the gopher poison free. So they would not be involved in providing a licence for that individual to provide that. If you're . . . Going into the other municipality that I have land, they charge a dollar a can for gopher poison; they would be required to have a person who would qualify for a licence.

And so I would suggest that you perhaps put a grandfathering clause into this. And if you would, I'd like to have a response from you on that.

**Hon. Mr. Wiens:** — Mr. Chairman, I want to comment in a couple of respects on that matter. The first is that all

vendors will require some time for the course to develop and for them to have staff available for taking it. It's anticipated to be possibly a five-day course, one that could be reasonably easily taken over the course of the winter.

And so hopefully we'll have the provisions in place for the '93 sales year, and hopefully all could comply. I think many municipalities, if not all, have pest control officers who are registered already as applicators. So I suspect if the qualifications aren't parallel, they would not be very different in terms of the requirements for scrutiny and for care in sales and application. I think it may, through the existing structures, be almost a parallel process to what's now happening in most municipalities.

(1600)

**Mr. Martens:** — Well if we hear of some who are having a problem, we'll probably let you know.

One of the things that I wanted to ask you, we're dealing with pest control, and by my definition that's grasshoppers and rats and gophers and that. Does this have anything to do with herbicides?

**Hon. Mr. Wiens:** — Yes, this pest control Act applies to not only the animal kind but others as well. So it applies to pesticides, herbicides, I suspect all farm-based, toxic chemicals basically.

**Ms. Haverstock:** — Thank you, Mr. Chairman. Mr. Minister, as an ex-member of the Centre for Agricultural Medicine, I of course spoke with some members of the pest control industry and was very encouraged to have them talk about how positive they see this shift in emphasis from changing from permits to licences. So I do want to commend you on making these changes.

What I am wondering about: you had mentioned earlier that the training will take place in SIAST. They are going to be offering additional training. Have they therefore been offered additional funding in order to be able to deal with this extra responsibility?

**Hon. Mr. Wiens:** — Mr. Chairman, thanks for that question. The understanding is that SIAST will develop the course, and those who take it will pay a fee that will compensate them for their costs.

**Ms. Haverstock:** — Thank you. I'm wondering how many farmers have completed safety courses already. Are you aware of the number?

**Hon. Mr. Wiens:** — Mr. Chairman, I don't know the number. It would presently only . . . In terms of those who would be required to have taken a course, would be only those who are presently in the commercial application business, so then they would have to, under present law, take an applicator's course and be licensed for that. There certainly is a growing interest in the farm community and a growing concern for safety, not only of the family but of the environment and the community. And I think the interest is high, but I have no measure of what other kinds of courses have been completed by farmers.

**Ms. Haverstock:** — Thank you. Mr. Minister, do you intend on putting forward something that will encourage farmers to take these courses? And if so, how do you plan to do that?

**Hon. Mr. Wiens:** — Mr. Chairman, there are . . . the courses would be available to people who could get into the course, clearly people who wanted to commercially engage in sale or application would take these kind of courses.

But with respect to less formal instruction, the department, through its extension services, does have a strong emphasis on safety and safe chemical use. It's an annual theme in spring around extension work, and through regulation and through actions like this, try to raise the level of awareness around the need for safe chemical use.

There is no opportunity seen for, at this time, present need for, any formal kind of licensing with respect to farm chemical use by farmers. We believe that through encouraging the safe use of chemicals through the extension efforts of both the chemical companies . . . I think the Crop Protection Institute and others also do encourage farm safety with chemicals. And hopefully we can reach our goals for safety through those measures.

**Mr. D'Autremont:** — Thank you, Mr. Chairman. In the last paragraph of your explanation letter or notes with the Bill, you used the words "to sue". Now I know what it means to sue somebody for some money, but I'm just wondering, under what application are you using the words here? The sentence is: authority to issue a permit retained where a permit may be issued to sue a certain pesticide or undertake certain control activities.

Just what do you mean by the words "to sue" in that sentence?

**Hon. Mr. Wiens:** — This, Mr. Chairman, is a trick code for the word "use" . . . (inaudible interjection) . . . Thank you.

**Mr. D'Autremont:** — I've got one more here, Mr. Chairman. Under the Act as it's presently in place, section 23(b), and I'll read it:

defining the expression "open body of water" for the purposes of this Act;"

Under your amendment section 23, where you propose to insert five clauses after that, (b.1), (b.2), (b.3), they have absolutely nothing to do with water, open bodies of water. Why are they being placed in that particular position?

**Hon. Mr. Wiens:** — Mr. Chairman, if I've understood the question correctly, I believe in fact section (b) stays and the amendment says, "by adding the following clauses after clause (b)." So then there are five subpoints which then define the circumstances for the issuance of a licence.

**Mr. D'Autremont:** — Well, Mr. Minister, that's the way I understood the clauses that you had presented. But why are they being put in as (b.1), etc? Wouldn't it have been

perhaps more appropriate to have it under section (c), 23(c), where it deals with permits and licensing, rather than open bodies of water?

**Hon. Mr. Wiens:** — Mr. Chairman, I may have been careless in the use of my language in the previous explanation when I think I said that this described the conditions for licensing. It does not. In fact, it describes the conditions for permits as distinct from licences for special application, which in this case apply where it applies to the open bodies of water.

So this is the conditions for issuing permits, the five conditions relative to the open bodies of water issue raised in point (b).

**Mr. Martens:** — Mr. Minister, would this then apply to something like the black flies in dealing with a pesticide? Or is that what you're aiming at doing? Or would you define what the reference to water would be in relation to that?

(1615)

**Hon. Mr. Wiens:** — Yes, Mr. Chairman. The example the member opposite uses is a good example of a case where a special permit would be required in order to make the application.

Clause 1 agreed to.

Clauses 2 to 9 inclusive agreed to.

The committee agreed to report the Bill.

# **Bill No. 39 — An Act to amend The Pest Control Act and to enact a consequential amendment related to the enactment of this Act**

## **Clause 1**

**Mr. Martens:** — Mr. Deputy Speaker, and Chairman, and Mr. Minister, would the minister provide for us an overview of the reference that it has to The Urban Municipality Act and what it would . . . Give a general overview of what the Bill does.

**Hon. Mr. Wiens:** — Mr. Chairman, I appreciate the question that's been asked. It is both a specific point that needs to be answered and it's in the context of a very broad picture that it is asked.

The purpose of the amendments is to deal with the ever-increasing risk of the Dutch elm disease and control of it in Saskatchewan. The Urban Municipality Act addresses this question specifically. And this Act, in its reference to The Urban Municipality Act, only addresses that very specific point in The Urban Municipality Act with respect to control of Dutch elm disease.

These amendments set a minimum standard for the control of the Dutch elm disease. The Urban Municipality Act . . . or the urban municipalities continue to have the freedom to exceed the standard that will be set in the provincial Act.

**Mr. Martens:** — When they're referring to regulation here, then they're referring to the regulations under The Pest Control Act?

Okay. By the minister's observation, the answer is yes. So then the bylaw has to be either better than the regulation or at least to where the regulation is.

**Hon. Mr. Wiens:** — Mr. Chairman, yes. That's true.

**Mr. Martens:** — Where urban municipalities don't have a bylaw, then this places itself over and above that?

**Hon. Mr. Wiens:** — Yes, Mr. Chairman. In fact this will probably define the standard for control of Dutch elm disease because as far as we're aware there are presently no bylaws passed under the provision of The Urban Municipality Act. So that this in fact, when our regulations are written and passed, will for now define the standard that's there.

**Mr. Martens:** — So the city of Regina does not have a bylaw dealing with Dutch elm disease in its references?

**Hon. Mr. Wiens:** — Mr. Chairman, I'm sorry, I need to retract inaccurate information I gave a moment ago. There are in fact not only the city of Regina but several other urban municipalities that have passed bylaws under The Urban Municipality Act.

**Mr. Martens:** — So all of those municipalities that have an Act, they will exist, and they have to come up to regulation standard at least, and go beyond that. Now those urban municipalities who have no bylaw in, will they have to conform to all of the regulations that you point out in here, or that you make for this? Will they have to abide by all of them and deal with it in the same way that the minimum requirement in Regina would have to?

**Hon. Mr. Wiens:** — Mr. Chairman, the regulations of the provincial Act will apply not only for urban municipalities, but to all municipalities where the disease has been identified. And so the regulations will define actions required in the event that the disease is identified. There will be areas designated that will be exempt from the Act in areas which are difficult or impossible to . . . where it's difficult or impossible to manage the disease.

**Mr. Martens:** — So then rural municipalities will be treated on the same basis as an urban. Their regulations, if they don't have any, will . . . or through a bylaw, they will have to abide by that. And you're nodding yes.

Is there any compensation made to municipalities in relation to this? We have a lot of shelter-belts in your constituency and in my constituency that were some of the very first ones planted that have a lot of the elm trees. Are those municipalities going to be required to dispose of all of those trees then if they have that, at their own cost, or is the farmer going to do it? And then in an urban setting, the hamlets, are they going to be required to bear the cost of that?

**Hon. Mr. Wiens:** — Mr. Chairman, there is no provision for compensation. The compliance would be required in areas where no exemption was issued. The municipality's

responsibility would be to provide a disposal site for pruned materials.

**Mr. Martens:** — Have we got large areas in the province where we have, let's say, a forest of these trees where this could get to be a serious problem, along river banks and up in the North? Is that where the problem exists, where you defined where you can't get at? Is that what you're suggesting here?

**Hon. Mr. Wiens:** — Mr. Chairman, it's in those areas the member opposite described that in fact are the key areas of concern where control is difficult. The Souris basin from the United States border up and north Saskatchewan is becoming an area where control is probably impossible because you're not able to do appropriate direct pruning and control in that regard. So those are the kinds of areas that are contemplated for exemptions.

**Mr. Martens:** — The permitting for destruction and all of those kinds of things — I noticed on television the city of Regina . . . or a number of communities got together and they had urban municipalities in and they talked to different people who are employed by those urban municipalities about what the signs of Dutch elm disease are and all that sort of thing.

Are permits and approvals required by the department in each of those cases to deal with destroying them, or are they allowed to do that on their own when the time comes? Or do they have to apply to the department for some permits to deal with that?

(1630)

**Hon. Mr. Wiens:** — Mr. Chairman, while we have the regulatory authority with respect to these matters — and the regulations in regard to the questions the member opposite is asking will be written that will define the various specifics around handling and transportation of affected material — we will be working closely in co-operation with the Department of Natural Resources who will have the lead role in the implementation of the policy and the Act with respect to interface with municipalities with affected stands.

**Mr. Swenson:** — Thank you, Mr. Chairman. I just have a few questions to the minister in the area. As the member from Morse pointed out, from early days until about 1970 I believe, elm trees, American elm, were on the list from PFRA (Prairie Farm Rehabilitation Administration). And I know on our own farm we have over six miles of field shelter-belts that have these particular trees in them.

Obviously the costs associated with removal of those trees would be horrendous. I took a half a mile of trees out seven or eight years ago, and it cost me between 3 and \$4,000; plus then there was the disposal. If you had affected wood involved in this where you had to separate it from everything else, you're looking at tremendous costs.

I'm wondering, is the minister saying that through the RM bylaw that they would then assess those costs back to me as the individual landowner or would that be the process that would be involved here?

**Hon. Mr. Wiens:** — Mr. Chairman, the matter that's raised, I appreciate the point that's being raised. The regulations have not yet been written in terms of exactly when it would apply and when it would not and I think it's a topic for some reasonable discussion.

Certainly the immediate concern of the Act would be with respect to the protection of the trees in urban areas and the greatest impact on rural municipalities may be on those adjoining rural municipalities that are adjoining urban municipalities at this time. But that's a discussion that we should engage in in the writing of the regulations. I appreciate the point being raised.

**Mr. Swenson:** — It's very relevant, Mr. Minister, because of the number of urban jurisdictions in Saskatchewan which now are virtually in name only. Many of the incorporated towns, villages, and hamlets of yester-year which were often supplied trees through PFRA now are down to a few ratepayers. Those ratepayers are going to be very hard pressed to handle any type of removal program or even an ongoing program as we see here in the city of Regina. And yet they impact on so many of the rural areas as a potential breeding ground.

And I guess if we're going to get into very large, cost-effective measures here, we're going to have to think about the cause of the problem as we design our regulations. You know, before I'm going to lose six or seven miles of trees, I'm going to put an airplane in on those things on a yearly basis to kill the beetle. And I'm wondering if, as you draw up these regulations, if there isn't any thought into promoting some system of attacking the beetle before we sort of get into the other side of it which is going to be a very large cost to whoever, whether it's the individual, the municipal jurisdiction, or the provincial government. At some point we've got to attack the problem and I would hope that the Act in some way will be encouraging in that way.

**Hon. Mr. Wiens:** — Mr. Chairman, again I appreciate the point the member opposite raises. That discussion and others hopefully will take place. Presently consultation is going on with both SUMA (Saskatchewan Urban Municipalities Association) and SARM and PFRA with respect to the drafting of the regulations. Their support of the direction this is going and those specific points can be raised with them in terms of the definition of where priority control efforts should take place and through what mechanisms. I appreciate the raising of the point.

**Mr. Swenson:** — Well I don't want to belabour the point, Mr. Minister, but I can tell you that there are going to be those on the environmental side that are going to be very definitive on this issue. And I suspect there may not be a whole lot of room for some of us to operate under in taking this thing on, and that . . . I would hope there will be a very broad consideration here. I mean I as a person who obviously has a lot to lose, which is the efforts of three generations at soil conservation and a few other things, as a registered seed grower I pay a premium every year so somebody can come and inspect my fields.

I'm wondering if maybe an idea worthwhile looking at would be some type of insurance program that towns and

villages, farmers, parks, people could buy into some type of regular inspection. Then in that process the ability to access chemical, that type of thing, that I believe there has to be some type of care in this process to take on the beetle before we use the stick of legislation to simply say, you must do this, this, and this, in certain circumstances. And I would hope that those discussions are broad enough that the agenda doesn't stay very narrow.

**Hon. Mr. Wiens:** — Mr. Chairman, I again appreciate the desire to have a large encompassing discussion rather than the narrow one. And it's my belief that with the representation on the standing committee that's dealing with this issue, along with the department, both from SUMA, SARM, and PFRA, that that broad discussion will in fact be a topic of discussion now and in the future.

**Mr. Martens:** — I just want to pursue that line of questioning just a little bit. Lots of times when control is required by . . . or because of an infection or an infestation — I should use that word — of something like the Dutch elm disease, it's the requirement of the individual on whose property they are to pay the cost.

And when in fact a lot of the damage . . . Let's take a deer, for example. Society bears the cost on compensation for those kinds of commodities and the farmer is feeding them, that society gets the benefit. Society is also getting the benefit of good, healthy trees. So from that perspective, we would seriously consider the involvement of a program that had some compensation for the prevention, not necessarily for clean-up and all that. But the municipalities in some areas are going to have a serious, serious problem in dealing with this.

And I know that municipalities down in the Weyburn area had grasshoppers. They decided that that was a pest that would be controlled on a municipal basis and it would be gotten rid of. And other municipalities decided not to do that, so then it became the responsibility of the farmers and only certain ones did it, and then they had to do it over and over and over again.

And that's, I guess, what we're talking about here on controlling something that's going to destroy the trees. And we've paid the price in establishing them, that we paid the price of maintaining them. We've paid the price in providing opportunities for wildlife to be a part of and now we're going to have to pay the price to destroy them.

And I'd like to have some response. Because you get in the Souris River basin and you start to having to destroy miles and miles of these things, it's going to be a significant cost. And the farmers and ranchers along the area are not able to bear that cost themselves. So I'd wonder if you'd give us a point of view or two of how you view that.

**Hon. Mr. Wiens:** — Mr. Chairman, the question with respect to prevention and control, the greatest risk of spread is through dead wood that's infested. That in fact presumably we wouldn't have a serious problem of spread out of an area where control is difficult through any other mechanism than people taking wood and bringing it into an uninfected area. So the strategy that is being used here that focuses on identifying areas that



could be exempted on one hand, but also identifying strategies for limiting spread by pruning and controlling transport would in fact limit spread to the minimum, and minimize costs to everybody in the province.

Clause 1 agreed to.

Clauses 2 to 6 inclusive agreed to.

The committee agreed to report the Bill.

**Mr. Martens:** — Mr. Chairman, Mr. Deputy Speaker, I want to thank the individual who is here helping the minister from the soils and crops. Mr. John Buchan is a noteworthy individual in his field and well respected, and I want to thank him for his time that he took in this Pest Control Act. And I know it is a significant involvement that he has had in it, and I want to compliment him on it.

**Hon. Mr. Wiens:** — I thank the members opposite for that recognition. And I too would thank Mr. Buchan for his contribution to the preparation of the legislation and the work he does, and thank the members for their questions. They can start the questions.

(1645)

**Bill No. 35 — An Act respecting the Production, Supply, Distribution and Sale of Milk**

**Clause 1**

**The Chair:** — I wonder if the minister might introduce the officials that have joined them.

**Hon. Mr. Wiens:** — Mr. Chairman, again the deputy minister is still with me, Mr. Stuart Kramer. And on his right is Mr. Stan Barber, the chairman and chief executive officer of the Milk Control Board. And behind me are Mr. Bob Ford, the administrator in production and development section of the livestock branch in Agriculture and Food, and Mr. Garry Moore in the Crown solicitor, Saskatchewan Justice, who has worked with this Act.

**Mr. Martens:** — Thank you, Mr. Chairman. There are a number of concerns that have been raised by me, or to me by the milk producers. And I want to outline them and then we'll deal with this. I don't think we'll conclude with this today, Mr. Minister, but we'll get that under way.

One of the things that has been raised as a concern is in the area of security in milk quotas — if there is any or there should be, or whether there is going to be. In dealing with that probably is one small phrase that deals with that. On page 10 on area no. 16, it says:

Any grant of an interest in a quota or assignment or transfer of a quota or an interest in a quota without the approval of the board is null and void.

This is a very . . . and I know Mr. Barber understands this, and so do I, that there are a lot of old traditions in the milking business in Saskatchewan. And we have gotten here by a degree of move, and going back, and then moving again.

Is there anything in that section that deals with a security interest in relation to that? Is it going to be required, for example, when cows are quota and when they're not quota, that you'll not be required or you'll not be allowed to have a security interest in a cow or a quota? Is that the discussion that we're going to be having? Or I'd like to have your overview of that, Mr. Minister, on what you are planning to do with that section there.

**Hon. Mr. Wiens:** — Mr. Chairman, on this matter the new Act makes no changes in terms of the application and the assignability of quota. It simply confirms more clearly the present practices followed by the Milk Control Board with respect to quota and their value.

**Mr. Martens:** — I'm sorry, Mr. Minister. If you wouldn't mind repeating that, I'd appreciate it because I was speaking with the House Leader.

**Hon. Mr. Wiens:** — Mr. Chairman, the new Act makes no change in the provisions around the quota or their assignability. It is exactly the same practice as is presently in place. It simply defines the practices that you described as having evolved over time.

**Mr. Martens:** — So, Mr. Minister, an assignment cannot be made. For example, if Ag Credit Corporation were taking an assignment on the individual's livestock and the barn and there was a foreclosure on the barn, that the board would have to provide an approval if the individual wanted to sell some . . . and the individual could move all of those commodities and there wasn't enough to deliver him a benefit from the quota, then the board would have to approve that quota sale yet too. Is that right? And then the assignment would have to be given to ACS (Agricultural Credit Corporation of Saskatchewan) or they would control that in delivering it to ACS?

**Hon. Mr. Wiens:** — Yes, Mr. Speaker, the understanding is that if the producer assigns it, then the Milk Control Board would follow the wishes of the producer.

**Mr. Martens:** — The question then is the reverse of that, Mr. Minister, too, that if he doesn't assign it, would the board have the authority, the Milk Control Board have the authority to give the assets of the quota or sale to the individual. It needn't be ACS. It could be the credit union; it could be Toronto-Dominion or whatever.

**Hon. Mr. Wiens:** — Mr. Chairman, not independently or without a court direction in that regard.

**Mr. Martens:** — Pardon me, I didn't hear that, sir. Sorry.

**Hon. Mr. Wiens:** — Mr. Chairman, the board would not have the authority to do that independently. They could be directed to do it by the court, I understand.

**Mr. Martens:** — Right. Okay, I understand that.

One of the things that has caused us a great deal of concern is that we know that individuals have to have certain access . . . from the Milk Control Board have to have access into facilities of the individual producer. And one of the things that really has raised a concern to us is

that it specifically says, without a warrant you can enter these facilities.

Now it does talk a little bit about a reasonable time. However, what really concerns us is that it should not be done that way. If it was excluded from that clause, I think it would be in our general best interests that we be allowed to have the Bill go forward without it. That's in section 22(2)(a) it talks about not needing a warrant to go in there. That bothers us a whole lot and I'd like to have your explanation of why you think it's necessary. And then we'll argue about that point of view, probably.

**The Chair:** — Why is the member for Moose Jaw Palliser on his feet?

**Mr. Hagel:** — Mr. Chairman, I ask leave to introduce guests.

Leave granted.

### INTRODUCTION OF GUESTS

**Mr. Hagel:** — Mr. Chairman, I've just noticed, seated in the Speaker's gallery here today, a distinguished citizen of our province, Mr. Mervin Shaw, who is the director of the Legal Aid office in Moose Jaw, and a recently retired member of city council. And I would ask all members of the Assembly to join in extending a welcome to Mr. Shaw.

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

### COMMITTEE OF THE WHOLE

#### Bill No. 35 (continued)

#### Clause 1 (continued)

**Hon. Mr. Wiens:** — Mr. Chairman, I appreciate the question. A couple of comments I want to make about this provision in the Act. One is that it is constructed in a fashion to be sensitive to the Charter of Rights and Freedoms. It is also a provision which is provided in order to allow the implementation of this Act in the form in which it is in order to comply with Canadian law. It's a provision that's also included in the similar legislation which is provided under The Agri-Food Act and it was passed in 1990, in terms of the manner in which the issue of enforcement of the Act is provided for in the Act. So there are parallel kinds of pieces of legislation that Justice defines as necessary in order to enforce the Act.

**Mr. Martens:** — If there is an opportunity for a requirement by the board or the minister to investigate, surely he should have enough grounds to go to the court to get the access permission in a warrant that would allow that to happen. And I would say that that's what we would prefer to have in here. I'm not sure that you need to have it.

And just placing it in perspective, if an individual would come on to my property — and let's expand this to just more than milk, if you want to deal with that — and then have access into my property and your own property, sir, on the whim of an individual who thinks he has the

authority over you. And I know that you need to keep records. You need to have access for health reasons. And you need to have access on that, but define that as a requirement for this section. Don't just explicitly say: without a warrant, we'll be able to go in and deal with the problems that we've got in this place.

And I think that it would be a whole lot better for you to do it without the warrant component in that section than with it. And I think that there is more to be gained by that sort of a process than with the authoritarian type of process.

**Hon. Mr. Wiens:** — Mr. Chairman, I appreciate the comments of the member opposite. I only want to quote from the 1990 Agri-Food Act to suggest that I suspect without either one of us getting involved in a full-blown law course here in the Committee of the Whole, that the same prerogatives which caused section 29(2)(a) and (b) to be put into that Act would be the same provisions that would give us direction with respect to the present Milk Control Act. And I would just like to read you briefly the one section. It says:

A person appointed pursuant to subsection (1) may, at any reasonable time, for the purpose of enforcing this Act, the regulations or any order of an agency:

(a) subject to subsection (3) enter, without a warrant, any place or premises; and

(b) make any inspection, investigation or inquiry that the person considers necessary.

I think these are kind of boiler-plate provisions that are attached in order to properly deal with the implementation of the Act rather than any sense of an onerous intervention or attempt to intervene against people's interests.

**The Chair:** — Order. It being 5 o'clock, the committee stands recessed until 7 o'clock p.m.

The Assembly recessed until 7 p.m.