

EVENING SITTING

COMMITTEE OF THE WHOLE

**Bill No. 3 — An Act to amend The Environmental  
Management and Protection Act**

**Mr. D'Autremont:** — Thank you, Mr. Chairman. At the present time I would like to withdraw the amendment I had proposed for clause 7 and that we stand clause 7 for the present moment and that we move on to clause 8.

**Clause 8**

**Mr. D'Autremont:** — Thank you, Mr. Chairman. I have another amendment to propose on clause 8 and I will start off by reading the amendment:

Clause 8 of the printed Bill is amended:

- (a) by renumbering the clause as subclause 8(1); and
- (b) by adding the following subclause thereto:

“(2) The following section is added after section 40.2:

‘Bad faith offence

40.3(1) Notwithstanding section 40.1 where any person ostensibly acting pursuant to the authority of this Act, any other Act administered by the minister or any regulations or orders made pursuant to this Act or those Acts has, in bad faith, entered on any land or into any building without a warrant and without reasonable and probable grounds on which to base a belief that:

- (a) a hazardous substance, waste dangerous good, hazardous waste or other material that could cause or may cause pollution is present on the land or in the building; or
- (b) an activity that could reasonably be expected to cause pollution is being performed on the land or in the building;

that person is guilty of an offence and liable on summary conviction:

- (a) to a fine of not less than \$2,000.00;
- (b) to imprisonment not exceeding six months; and
- (c) to make full restitution to the owner of that land or building for any damages caused as a result of that entry.

(2) Such standards of care and reasonable belief as may be imposed upon a peace officer acting with authority of a warrant to search for and seize goods pursuant to *The Narcotic Control Act* (Canada) are hereby adopted and imposed upon all persons

referred to in subsection 2.3(1).”

Mr. Chairman, Madam Minister, you might call this the bad faith clause as compared to the clause that's already in the Act, 40.1, which could be termed as the good faith clause. And I would like to read a little bit of that clause:

... administered by the minister or any regulations or orders made pursuant to this Act or those Acts is in any way liable, except in the case of negligence, for any loss or damage suffered by any person for anything done in good faith or omitted to be done pursuant to the authority or supposed authority of this Act . . .

This exempts the government officials, when they do make an entry without a warrant for search and seizure, from any liability.

The clause I'm suggesting, Madam Minister, says if they do enter, but in bad faith where they had no reason to be in there — they were in there to harass to somebody or for some malicious purpose — then this clause would take effect and the members of your department that may have been involved in it, or yourself, then would be liable for some prosecution, and the owner or the person where the entry was made into would have some sort of restitution. They could go back to the courts then and say, there was an illegal act performed here against myself and my property. And I want some restitution. And this would give the courts the ability to say, yes; there is some restitution. And the person guilty of the offence will be punished for it, Madam Minister. And I believe that this clause does have some very good merit.

**Hon. Ms. Carson:** — Mr. Chairman, to the member opposite, the cases that he is citing here are already taken care of within the Act. Section 40.1 does not preclude or immunize the public officials from acting outside the prescribed actions within this Act. I mean, they still have got to make sure that their actions are not negligent. They cannot act irresponsibly. And section 40.1 does not immunize them from any actions brought through civil actions or through trespass under the Criminal Code.

So your amendment does nothing to add to what the Act already says is protection there for the public already. Where there is negligence, where the officials are acting maliciously, the public is already protected by the Civil Code and the Criminal Code of Canada. So I would say that what you have here does not reinforce the public interest. But it may hamper the ability of officials to do their work. And we would not agree to that amendment.

**Mr. D'Autremont:** — Well, Madam Minister, you may feel that it would hamper your officials in the performance of their duty. But I would say that it would make them more responsible in the performance of their duty, especially in those cases where they're entering into a location without a warrant.

And it sets out some prescribed avenues in which they could operate, which is the Narcotic Control Act of Canada. There are some set of rules in there that they could then follow, and it sets out a set of penalties for

those who do not meet that criteria.

**Hon. Ms. Carson:** — Mr. Chairman, there are several other Acts that were passed by the last government that have the same right-of-entry provisions as this one does, and those Acts do not extend that bad faith amendment. I would like to read to you one under The Oil and Gas Conservation Act that was passed in 1991. There is a right of entry without warrant in that under section 7.31, for the same purposes as are prescribed in this Act.

So I would say that the Act that we have before us today is no more Draconian or no more malicious in its intent and it will act as responsibly . . . the officials acting under this Act will act as responsibly as the officials were intended to act under the Act that was passed by the last government.

There are a number of Acts that have the same right-of-entry provision. There's the gas and oil Act that I just mentioned, The Child Care Act that was passed in 1989, The Medical Profession Act in 1989, and Renewable Resources, Recreation and Culture Act in 1989. They all have right-of-entry provisions and none of them go so far as to say there should be a bad faith clause at the end to protect the public. By inference the public is already protected by other clauses within the Act and under the Civil and Criminal Code of Canada.

Amendment negated on division.

Clause 8 agreed to.

**The Chair:** — We'll go back to clause 7. Before we do, I just wanted to clarify that the member for Souris-Cannington withdrew the amendment that he had previously moved. By leave, is that agreed?

Leave granted.

(1915)

## Clause 7

**Hon. Ms. Carson:** — Mr. Chairman, I would like to:

Amend clause 7 of the printed Bill:

(a) by renumbering it as subclause 7(1); and

(b) by adding the following subclause after subclause 7(1):

(2) The following subsection is added after subclause 38(2):

‘(3) Except in circumstances that are considered by the Lieutenant Governor in Council to be an emergency, the minister shall seek advice and provide a reasonable opportunity for the public to be heard respecting prescribed regulation or any prescribed amendment to any regulation under this Act.’

**Mr. D'Autremont:** — Thank you, Mr. Chairman. Couple

of questions for Madam Minister. In the amendment that I had proposed, we talked of giving “reasonable advance notice” and you have changed that to “shall seek advice.” Also you have made the change from “reasonable opportunity for public consultation” to “reasonable opportunity for the public to be heard.” I wonder if you'd mind explaining what the differences are between those two sets.

**Hon. Ms. Carson:** — When we're talking about allowing an individual a “reasonable opportunity to be heard”, that implies that there shall be advance notice. A person cannot be heard unless they know there should be a reason for them to make a submission or response to the regulation.

So it is redundant to put into this amendment the fact that there shall be advance notice. When we put in the words “shall seek advice”, that also implies that there has to be advance notice to have someone alerted that the amendments and the regulations are going to be changed in order for them to have the opportunity to make a response.

So both of the statements “shall seek advice” and “provide a reasonable opportunity to be heard” implies that those people have to have advance notice that the regulations are going to be changed.

**Mr. D'Autremont:** — Madam Minister, would you give me your definition of the difference between “public consultation” and “public to be heard”?

**Hon. Ms. Carson:** — “Public consultation” has a broader definition than “the right of the public to be heard.” It can be more selective as far as giving whether it's a public hearing. It can be narrowed down to having a meeting with the officials and other people who are interested.

So the right of the public to be heard is a little narrower in its definition than public consultations, which takes on the connotation of a formal setting with a panel and many of the public presenting submissions and written or oral submissions.

**Mr. D'Autremont:** — Thank you, Madam Minister. My concern between the differences is that the public be given the opportunity to have access to yourself or to your officials as the process develops and as the amendments and regulations are developed. So my concern is that everyone who might be interested be given access to the process.

When you talk about “reasonable opportunity for the public to be heard,” how will the public be informed that amendments are being made, that the regulations are being changed? Will you advertise it in the gazette? Or will you also advertise it perhaps in the *Leader-Post* and the *Star-Phoenix*? And if it deals with a particular locality, within some of the local newspapers?

**Hon. Ms. Carson:** — Mr. Chairman, it will have to be managed on a case-by-case issue because it depends on what kind of regulations we are changing and the number of people that will be involved in those changes that have a right to have either an explanation or have input into

them. So it's very difficult to define what manner the public will be able to give an opportunity.

The whole idea behind this is to make sure that the people that are going to be impacted upon by these regulations will make sure that they have had a chance to understand what the regulations are going to be and have a chance to respond to them. And that is what is intended in this amendment.

And I think it's set forth very clearly that it is incumbent upon the department to make sure that people either in the vicinity or stakeholders have an opportunity to know that the regulations are being set and that they will be given a chance to respond in some manner, whether it's a full-blown consultation or whether it's a meeting with officials, or a meeting with other people in the area to make a response.

**Mr. D'Autremont:** — Thank you, Madam Minister. In the case of a . . . I'm thinking now of the underground storage tanks where it affects everybody province wide. In that particular kind of a case, would you then advertise it perhaps in the two major provincial newspapers?

**Hon. Ms. Carson:** — In that case, obviously it affects many, many people in the province and the two provincial newspapers probably wouldn't be enough. I think it would mean that we would have to hold meetings in various areas of the province to allow people, whether they are selling fuel or whether they're farmers, to get a chance to understand what the changes would be. So there are cases where you can't have one public hearing. You might have to have several meetings with the public.

**Mr. D'Autremont:** — Thank you, Madam Minister. On the latter part of the amendment where you talk of prescribed regulations, would you mind describing that term and what you mean by it.

**Hon. Ms. Carson:** — Prescribed amendments mean those of substantive nature, the ones that are important enough to involve many people in the public rather than allowing a process of review or consultation on minor ones such as a change in a word or a change in a phone number. "Prescribed" means the ones that are very important and have an impact on large numbers of the public.

**Mr. D'Autremont:** — Thank you, Madam Minister. I believe that between us in the last period of time we've managed to accomplish something with this Act. Although we didn't agree on everything and I still have some concerns about some of it, I think we can agree on this amendment.

**Hon. Ms. Carson:** — I thank the member opposite for his help and I agree that the amendments that were brought forward help to clarify and to make this Act an even better Act.

**The Chair:** — The question before the committee then, is the amendment moved by the minister with respect to clause 7.

Amendment agreed to.

**Mr. D'Autremont:** — Thank you, Mr. Chairman. Madam Minister, I've received a number of phone calls over the last short period of time since we last met in this House concerning the underground fuel tanks. And at that time you stated that there was . . . none of your officials were out there when tanks were being removed, and there was no charge for those officials. But in consultation with the people involved out on the sites, they agree that your officials are indeed not there.

But that what happens is there has to be a certified installer or inspector there which I would think represents the department, although it's a private individual because it's your regulation that says that person has to be there. When that person is on site, there is a cost to the individual who is removing the tank. Is that true, Madam Minister?

**Hon. Ms. Carson:** — Mr. Chairman, under the regulations there has to be a qualified installer there in order to certify the tank. And that is a charge that the owner of the tanks will have to pick up for that service.

**Mr. D'Autremont:** — Madam Minister, I think most of these people that are involved in this don't have an argument with the idea of having the installer there to inspect their facilities, perhaps . . . well definitely once they're in the ground, still open that you can see it, or even perhaps quite so much while it's being installed.

Their problem is, is why do they need that inspector there while they're taking the tank out of the ground. That's their concern. The inspector, they can't touch it. They can take the surface off, but once it starts getting down to the work of removing the tank from the ground, that inspector according to what I'm getting told by them has to be on site. And so the cost is there from 30 to \$36 an hour for that man to stand there and observe them digging the dirt out of there and removing the tank.

**Hon. Ms. Carson:** — I think there may be a need to make sure that if there is contamination of the earth around the tank, that they have to verify that there was a leak in the old tank. And if the tank comes up and goes back down, there has to be a reasonable inspection of that tank as it comes out of the ground to make sure that whatever certification is required has given the inspector sufficient time to allow him to inspect the tank.

I'm a little bit confused about why you feel that this is not a process that protects not only the person who owns a tank but also the public so that there is no contamination being, you know, taken away before the inspector has a right to have a look at it.

**Mr. D'Autremont:** — Well, Madam Minister, if the tank was . . . The problem that I see and the complaints I'm getting on it is that the inspector is there for the full time of the excavation and the removal. If the inspector would come after that point, the tank is still sitting there, say on top of the surface now. It could be tested for leaks. The ground samples could still be taken. Then it would only take a short period of time.

But as the person is standing there perhaps for a day while this tank is being dug out and removed because there

could be other tanks in the area . . . He has to be careful when you're doing it; it's not just a quick process. And I think that's the problem with it, is the length of the period of time that that man is standing there.

**Hon. Ms. Carson:** — I think in that case we should have a look at it and see if there is . . . If a person is standing there with no apparent purpose and for no use, then perhaps we should look at that and make an adjustment in when those inspectors have to be there.

We weren't aware that this was happening. But if it is, the officials of the department will take a look and maybe give better direction to the people who are certifying the tanks.

**Mr. D'Autremont:** — Well, Madam Minister, if you would do that, I think that would satisfy us and hopefully the people out in the general public that are paying this cost, to save them a little bit of money in this process and make it a little more efficient. Thank you, Madam Minister.

Clause 7 as amended agreed to.

The committee agreed to report the Bill as amended.

**Mr. D'Autremont:** — Mr. Chairman, I would just like to thank the minister and her officials for their time and their co-operation this evening. Thank you.

**Hon. Ms. Carson:** — Yes, thank you. Mr. Chair, I appreciate the help and the debate from the members of the opposition, and as I said, I think that we can all be very proud and very happy with the Act as it now stands.

The committee reported progress.

(1930)

### THIRD READINGS

#### Bill No. 3 — An Act to amend The Environmental Management and Protection Act

**Hon. Ms. Carson:** — Mr. Speaker, I move that the amendments be now read the first and second time.

Motion agreed to, the Bill read a third time and passed under its title.

### SECOND READINGS

#### Bill No. 88 — An Act to amend The Power Corporation Act

**Hon. Mr. Lingenfelter:** — Mr. Speaker, I rise today to move second reading of The Power Corporation Amendment Act 1992.

This Bill amends the Power Corporation Act by providing SaskPower with the authority to expropriate land where required for the purpose of installing underground cable to perform control protection and communication functions in conjunction with the operation of power lines.

As members know, SaskPower provides an essential service to the people of Saskatchewan. This service consists of the delivery of electricity through a grid of transmission power lines established throughout the province. A critical component in the safe, secure, and efficient operation of these transmission lines is the cable used to perform the protection control and communication function.

To date, this cable has been installed as an overhead line along with other lines which together comprise the transmission power line. As a result of technological advances, it is now possible that in some instances the function of this line can be performed more efficiently and at less cost to the province by using underground cable.

Mr. Speaker, I would therefore move second reading of the Bill.

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

**Mr. D'Autremont:** — Thank you, Mr. Deputy Speaker. When we look at the question of SaskPower expropriating land, we have to take into consideration the total volume of land that SaskPower actually has access to across this province.

While the service they supply us is definitely one that is wanted and needed, there is also a cost to those land owners when SaskPower does gain access to their property — gains access through expropriation. While the corporation may pay crop damage when they enter onto somebody's land if there is indeed a crop on that location or a grass, as the case may be, after that point, the corporation still has access to that property, but there's no longer any compensation paid. In the case of power lines, those power lines are in place. The farmers or the producers have to travel around them, but they receive no compensation for the inconvenience they cause.

With pipelines or with underground buried cable, that inconvenience is perhaps not there, but what you get in that case though is risers at some point. Now if SaskPower is to put their risers at the edge of the property along the road line then there's not very much inconvenience. But when those risers are out in the middle of the field there is indeed a problem. And I'm hoping that the minister will take a look at some consideration of providing some compensation to those farmers in the case where a riser would be out in the middle of a property.

At this time, Mr. Deputy Speaker, I'd like to move that we adjourn debate on this Bill.

Debate adjourned.

### COMMITTEE OF FINANCE

#### Consolidated Fund Expenditure Agriculture and Food Vote 1

**The Chair:** — I would ask the minister to introduce the officials that are with him here tonight.

**Hon. Mr. Wiens:** — Mr. Chairman, I'm pleased to introduce on my immediate right, the deputy minister, Mr. Stuart Kramer; on his right, Harvey Murchison, acting assistant deputy minister; behind Mr. Kramer, Hal Cushon, the manager of market analysis economics branch; and behind Mr. Murchison, Ross Johnson, the acting director of administration.

#### Item 1

**Mr. Martens:** — Thank you, Mr. Chairman. We have, through the estimates that we did with the Associate Minister of Finance, we provided a working copy of 34 questions, I believe, that deal with various aspects of the administrative functions of the department, and also the minister's office.

I'm going to begin with the first question that deals with your office, Mr. Minister. And could you provide us with that information as it relates to the staff that you have in your own personal office. It has a number of items that it deals with and I believe you have a copy of the information. If you don't mind, go through this one (a) the first question, with titles, salaries, job descriptions, qualifications and employment history, and those kinds of things. And go through that one and your staff. And then we'll proceed to . . . If you could send the information over so that we could have it on hand then too, then we'll start from there.

**Hon. Mr. Wiens:** — Yes, Mr. Chairman. I want first of all to say that we do have in the hallway, boxes full of answers that follow the standard questions you've asked.

In my office under the salary of Agriculture and Food are Gilda Treleaven, ministerial assistant 2, with a monthly salary of \$3,282, no job description, but she's as I say, a ministerial assistant. Her education — she has a degree in law from the University of Saskatchewan and a Bachelor of Arts from the University of Saskatchewan. Her employment history with us is she began in our employ in late fall and previous to that she's worked in a number of law firms. She practised with Treleaven & Treleaven from 1974 to 1988, and practised law with Graf & Zarzecny in '88 to 1991.

JoAnn Buhr is a ministerial assistant 2, monthly salary of \$2,893, again no job description. Her education — she has her Bachelor of Education from the University of Saskatchewan. Her employment history is that she has been a farm labourer from 1989-1991.

Gordie Nystuen is a ministerial assistant 3, monthly salary of \$3,750. He has as well no job description. His education is a Bachelor of Science in Agriculture, University of Saskatchewan. His employment history is that in 1989 he was a field person for the Farm Debt Review Board; 1988 he was a partner in the Golden Acres seed farm; 1987 he was with the Bank of Montreal as a commercial accounts manager; 1986 he was with Hoechst Canada as a marketing representative; and from 1983-1985 he was a Farm Credit Corporation credit advisor.

Bev Oshanek is a ministerial assistant E, monthly salary of

\$2,756, no job description. She has a grade 12 education. Her employment history is that she was with the Department of Agriculture and Food from 1984 to 1989, with the Public Service Commission from 1989 to 1990, and with the Department of Agriculture and Food from 1990 to 1992.

**Mr. Martens:** — Could you send that over for me too, Mr. Minister, if you don't mind?

The second question I have has to do with those individuals who have been terminated, vacant positions eliminated, list of all persons fired, retired, terminated in the department since November 1. I'd like to have a separate list of the positions eliminated, including the names of incumbents where applicable, and deal with it on that basis. Then that probably has the information available to us on all the items we've got listed there as well, Mr. Minister.

**Hon. Mr. Wiens:** — Mr. Chairman, I have here the full information as requested by the member opposite. I would table it with him if that were adequate. Rather than read the information at length, if there was any particular detail the member would want, I would be happy to read it into the record.

**Mr. Martens:** — I'll go on to the next question and I'll just look through it, and then you can deal with the second one that deals with lease and leased offices throughout the province, the costs associated with all of those, and we'll go through that that way.

(1945)

**Hon. Mr. Wiens:** — Mr. Chairman, I have here two pages of computer print-out with the leases. They are all leases from the Saskatchewan Property Management Corporation with one exception, a lease with ACS (Agricultural Credit Corporation of Saskatchewan) and then another page of ACS leases. I will provide those to the member opposite.

**Mr. Martens:** — One of the names that appears on those that have been dismissed is Mr. Zilm. I wonder if you would elaborate a little bit on his termination. I know that he's been a Department of Agriculture official since the early 1970s and I was wondering if there are any provisions that would reflect negatively on his person. I don't want to know about them, but I'd like to know what the position that you took in releasing him from his responsibilities were.

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, with respect to those relationships there was an amicable separation. There was a . . . Mr. Zilm offered his resignation in and there was a mutually agreed-upon package that was made at the same time as the resignation.

**Mr. Martens:** — There's another one, Mr. Jack Drew. It doesn't say what happened to him. Do I take it he was released from his responsibilities also? It doesn't indicate here any of that on it. Would you mind providing that for me?

**Hon. Mr. Wiens:** — Yes, Mr. Drew was a special advisor

to the premier in the previous government in the area of farm finance and that expertise was no longer required in my circumstances. And Mr. Drew's resignation was requested and the final negotiations have not been completed on that package.

**Mr. Martens:** — So that the minister is working through that process with the former deputy minister, is that right?

**Hon. Mr. Wiens:** — Yes.

**The Chair:** — I'd just like the government members to come to order, observe decorum, not interrupt the proceedings in any way — in any way.

**Mr. Martens:** — The next item is a list of vehicles supplied by the department as it relates to who has the authority to use them and all of those items too, please.

**Hon. Mr. Wiens:** — Mr. Chairman, I want to inform the member opposite that there is a record of the vehicles here and the details the member asked for with . . . for Ag and Food, the Ag Credit Corporation, the ag development fund and the Tripartite Beef Board.

What is not here is the record that would follow the extension agrologists and those people that were moved from Rural Development into Agriculture at the time of the budget. So I'll forward those to the member.

**Mr. Martens:** — Does the Minister of Agriculture have those or would he be able to provide those to us in a reasonable time, or is the transfer not yet completed? Would you provide that information for me so that I would be able to know what was going on there too?

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, we have the list of vehicles in our department. The previous records of travel and costing did not follow us. They are in Rural Development, but they are available if the member opposite would like them.

**Mr. Martens:** — Does the list of places that you accommodate with Department of Agriculture also include the rural service centres and their relationship or is that still with the Rural Development? And are those listed as a part of that? Would you have that information for me?

**Hon. Mr. Wiens:** — Yes, Mr. Chairman. For the member opposite, the cars are now in Department of Agriculture and Food, but the space is with the Department of Rural Development as part of the rural service centre network.

**Mr. Martens:** — Is it your plan, Mr. Minister, to keep Rural Development from providing those facilities? And the second question would be, are you going to leave the other components of the rural service centre in that framework or are you planning on amalgamating some more of those?

**Hon. Mr. Wiens:** — I guess, Mr. Chairman, the arrangements that are there presently are not at the moment contemplated to be changed in any planning framework that's now in place.

**Mr. Martens:** — Would the minister provide for me in one of the questions that we've asked, for all the advertising done, the breakdown of the production, distribution, direct mail, communications costs, the activity that was done, including the salaries in relation to that. For the work that was done externally, a copy of the invitation to tender and an explanation for the final tendering selection, including whether or not the selected tender was a low bid. Provide that for me, and then I have another question.

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, that information is here for the Department of Agriculture and Food, for the Ag Credit Corporation, and for the Tripartite Board.

**Mr. Martens:** — Another question that I have, Mr. Minister, do you include items like the ag development fund in all of these estimates of the information that you've provided? You've mentioned the Ag Credit Corporation, and what about the Milk Control Board?

And I know that you're now in the process of moving the . . . or I'm assuming that you're moving the Farm Land Security Board and the Farm Ownership Board into your responsibility. Are those included or . . . maybe they're not, but we were told by the Minister of Justice that there was some questions that we could ask you about that. And I'm not sure whether your administration is doing that or whether their administration is doing that. And we only ask you about policies.

**Hon. Mr. Wiens:** — Right. Thank you very much. The Milk Control Board is completely self-funding and functioning in that regard, so there are no inclusions here. The ag development fund in this case is included in the Department of Agriculture and Food numbers even though on some of the other files there are separate files when the information is separated and they are identified in your files.

The Farm Land Security Board and the Farm Ownership Board remain in the Department of Justice. It was agreed, I understand, in the estimates of the Department of Justice, that because those have almost more to do with Agriculture than Justice that the discussion would occur here but their authority remains in the area of Justice and the officials are available to us here to answer any particular questions you might have about those areas.

**Mr. Martens:** — I notice in the advertising that the supplier of the advertising is the Phoenix Group. Would you provide for me the individuals who are the principals in the Phoenix Group and who owns the company and, if it would be possible, the individuals who provide the service inside these items here.

(2000)

**Hon. Mr. Wiens:** — Mr. Chairman, the Phoenix Group is one of the groups that has been hired for work in the department. We don't have the detailed information on the Phoenix Group with us at this time but it can be provided to the members. I'll ask our officials to make note of that.

**Mr. Martens:** — On events and donations on page no. 9,

on question 4, there's \$885 through Ag Credit Corporation. Would the . . . I believe it's through Ag Credit Corporation. Would the minister be able to provide that for us?

**Hon. Mr. Wiens:** — Excuse me, I've lost the place of the question you're asking.

**Mr. Martens:** — It's on the top of . . . The number on the top is page 9.

**Hon. Mr. Wiens:** — Of your question sheet?

**Mr. Martens:** — No, of your answers.

**Hon. Mr. Wiens:** — On which department?

**Mr. Martens:** — It deals with the item on providing a list of advertising. There's a . . . (inaudible interjection) . . . Yes. Page 9, at the bottom of the page, there are events, donations, projects — \$885. Would you be able to provide us a list of those?

**Hon. Mr. Wiens:** — Mr. Chairman, we may have to have a copy made of the page since we've offered the member opposite our only copy of the record, but any information the member requires we will be able to provide. Can you just note again for the officials the exact question you'd like answered?

**Mr. Martens:** — It deals with events, donations, projects, November 1, '91 to March 31, '92, and April 1, '92 to June. And it has a total of \$885 and it's dealing on the tab with ACS so . . .

**Hon. Mr. Wiens:** — Thank you. We'll provide that information.

**Mr. Martens:** — Could the minister provide for me a list of the opinion polls that you have dealt with?

On question 4 . . . question 5, I'm sorry, on the page that I gave you, it says . . . if the estimates for this department do not have a communications vote, why is it that this department chooses not to submit?

Do you have a communications vote? . . . (inaudible interjection) . . . Yes. Okay. So I'll just leave that to go through the process later on.

Could you provide a list of the opinion polls, the costs, the breakdown of internal costs on the polls and tenders? And if not a tender, then why? Could you provide that for me, please?

**Hon. Mr. Wiens:** — Mr. Chairman, we'll forward the information to the member here.

**Mr. Martens:** — As it relates to your public policy on your Crown corporation, of Ag Credit Corporation, do you do a lot of these buying locally? I notice that there's Weyburn, Tisdale, Yorkton, and a number of places. Would I be correct in saying perhaps Swift Current would appear occasionally on one of these items too? Would you be able to give me that observation?

**Hon. Mr. Wiens:** — Mr. Chairman, if I could ask more specifically again, with respect to ACS, is this a general purchasing policy or with respect to a particular question here?

**Mr. Martens:** — A general purchasing policy on items by Ag Credit. Is it head office doing it out of Swift Current under tendering or are they doing it in Tisdale or North Battleford or Prince Albert?

**Hon. Mr. Wiens:** — Mr. Chairman, while there is some local purchasing done in the regional offices, the officials inform me that most of the purchases for Ag Credit Corporation are done through the Swift Current office by tender.

**Mr. Martens:** — I wonder, did you provide for me the polling?

**Hon. Mr. Wiens:** — It was the last file provided, file number six. The page ran away with it. I might just advise the member that there is one very recent poll there and none for the other two agencies.

**Mr. Martens:** — Yes I have the . . . I just placed it underneath a number of others. The next question that I have is, trips paid for department since November 1, whether inside . . . and this is the minister and his officials.

**Hon. Mr. Wiens:** — Mr. Chairman, the information on individual trips is available in two boxes outside in the hallway. They could be brought in if the member opposite would like to review them or they could be provided at another time. That's all the detailed information on the trips is there. If there were any specific piece of information that we might have in our memories that you would like, we may be able to provide that.

**Mr. Martens:** — No, if you supply them for me, we'll go through them at our . . . I'll do that over the weekend. That's the only trip that I'll be taking.

I want to . . . As a matter of fact I know that the minister has been busy on behalf of the province of Saskatchewan, and I know that the department does a lot of travelling, and I'm not going to question that. I just want to have those brought forward as a part of the overall items.

Can the minister tell me on question no. 8 — I'll be asking this as well by vote — whether or not the department has spent the '92-93 fiscal year that we are being asked to include in the '91-92 fiscal year. Can you assure the committee that all the monies being requested in the supplementary and main estimates that is attributed to the '91-92 fiscal year was actually used before March 31, '91; and further on in that question, would you be able to provide that for me please?

**Hon. Mr. Wiens:** — Mr. Chairman, there has been no money spent in the '92-93 fiscal year that will be charged to the '91-92 fiscal year. With respect to '91-92 departmental expenditures carried over to '92-93, due to cut-off dates and incapacity to pay the bill in the previous year, there are \$60,570.51 worth of bills that fall into that category and the detail by branch is included here in the file.

**Mr. Martens:** — Would the minister provide for me the list of names, titles, and salaries of employees who were, since November 1, '91 or are now or are budgeted to be attending university or other educational institutions. Are there any of those kinds of information available from your department?

**Hon. Mr. Wiens:** — Mr. Chairman, there are expenditures . . . there are no educational leaves provided for in '91-92. The tuition and book reimbursement for Agriculture and Food in 1991-92 was paid to eight employees for a total reimbursement of \$1,924.23 for the nine. And these studies are on the employees' own time and reimbursement was made only upon the successful completion of the course. And I'll send the detailed information over to the member.

**Mr. Martens:** — Do you have any employees on question 10 that are seeking advanced education for their own purposes or seminars or courses for development? This isn't meant to be a negative, negative question; it's just to find out what's going on.

**Hon. Mr. Wiens:** — Mr. Chairman, the information that's here is in the Department of Ag and Food. The in-service courses, which is really the category here that is germane to the question asked, there is a list by course of the number of officials or departmental employees who have taken them, rather than by name. And the information then is here for ACS and for the tripartite program. There is direct staff and name information available relative to the other questions under section 10.

(2015)

**Mr. Martens:** — Under 11, without providing personal information, provide aggregate values for the cost of benefits, and without again identifying individuals, provide what they have been costing the provincial government.

I just want to say as a part of this that the administrator that we hired to move in for doing the business of the Department of Agriculture when the head moved over to Tripartite Stabilization, Mr. Harvey Murchison, has been busy I see. And I want to just say that I've golfed with him and his score is pretty good and so is his record of performance here tonight. So I just wanted to acknowledge that.

**Hon. Mr. Wiens:** — I appreciate those comments. I agree with you about his service. The comments are probably timely in the sense that on this question he chose to refer it to the Department of Finance and Public Employees' Benefits Agency because that's the approach that's been taken across government for that question. There is detail with respect to ACS and Tripartite with respect to the amounts of dollars paid on behalf of employees collectively. The other information's available through Finance.

**Mr. Martens:** — So they would be on a global basis with the Department of Finance, just like members' benefits and those areas are?

**Hon. Mr. Wiens:** — The files in Finance are alphabetical as opposed to split by department, so they're in that fashion there.

**Mr. Martens:** — Is the department making registered retirement savings plans or trust funds available on behalf of individuals? If so, would you mind providing that for me here today.

**Hon. Mr. Wiens:** — Mr. Chairman, there are no RRSPs (registered retirement savings plan) or trust funds made on behalf of employees in either Ag and Food, ACS, or Tripartite. The information is here.

**Mr. Martens:** — Can you provide a list of all of the credit cards that members in your department have, amounts paid out to date on each credit card, the purpose, and the name of the institution providing the credit cards and the credit limit that applies to each of them?

**Hon. Mr. Wiens:** — Mr. Chairman, I'll forward this information to the member opposite in a minute.

With respect to the department, there are two cards, one for the Deputy Minister and one in the human resources branch.

With respect to the American Express cards, they are provided in this case to the employees, those two. But they are not charged to the department. The billing must happen through expense billing. And the member who uses the card must pay the costs directly to American Express. Mine, I shredded. And the ACS . . . I mean that's the card, not the records. The ACS has cards for their senior management and their assistant senior management. And the detailed information on each of those cards are here. The November 1 to March 31 numbers range from a low of about \$120 to a high of 1,299. And on the Tripartite Board, Wes Mazer has several cards. And the detail of that is here as well.

**Mr. Swenson:** — Thank you, Mr. Chairman. It seems, Mr. Minister, that you and the member from Morse have a system going here. So we'll just continue on for a while till we get all of your file folders right.

We'd like you to, question 14, provide a list of all the persons who have cellular phones for which the department is responsible, supplier of the phones, whether they're leased, owned, that sort of thing, a breakdown of the costs associated with those phones since November 1, 1991, and your estimated costs for '92-93.

**Hon. Mr. Wiens:** — Mr. Chairman, there are four phones that have had billings in the time period that's asked in the question. One is mine. One is Al Theede's with the livestock branch. One is George Bourhis with the livestock branch; he's an inspector. And the other one, the member opposite may have a personal interest in, and I'll let him talk to me about that later.

**Mr. Swenson:** — Mr. Minister, I think we can go the next three in a row here. They involve various and sundry electronic devices that you are aware of. They be 15, 16, 17. And that's to do with fax machines, VCRs (video



cassette recorder), lap top computers, that type of thing.

**Hon. Mr. Wiens:** — Mr. Chairman, I'll provide those without comment, and if there's questions later we'll try and answer them.

**Mr. Swenson:** — I appreciate that, Mr. Minister. Mr. Minister, number 18 is a list of all the written or verbal contracts involving \$5,000 or more that your department would have regarding employment products or services which are not covered by the Crown employments contract Act.

If the contract is not bound by confidentiality provisions, a true copy of the contract; if the contract is covered by confidentiality provisions, please provide the details of those provisions to the extent that the provisions allow. Please provide the parties of the contract, the purpose of the contract, all costs associated with the contract. Was the contract obtained by tender, and what was the need for the services of the contract as advertised?

**Hon. Mr. Wiens:** — Mr. Chairman, there has been a misunderstanding by our officials with respect to the question. The information provided by the department is only the personal service contracts. They will provide the other information for the agencies: ACS, Tripartite. The full interpretation of the question is provided, and we'll make sure that you get the other information from the department when they've compiled it.

**Mr. Swenson:** — How long do you anticipate, Mr. Minister, to have to get that information?

**Hon. Mr. Wiens:** — Mr. Chairman, the officials estimate that it would take about a week. Hopefully by the end of next week they could have it. They say it's a reasonably large job but not impossible to do in that period of time.

**Mr. Swenson:** — Thank you, Mr. Minister. That should be fine. Now, Mr. Minister, no. 19 is one that your department would be involved in in a large way and I think what we would like to know, if a large number of the written publications that Agriculture is involved in have been discontinued in any way, if there have been substantive changes in the listings of the various organizations, that type of thing, that Agriculture has assisted. So you can tell me if it's the same or similar or down substantially or whatever.

**Hon. Mr. Wiens:** — Mr. Chairman, the question as it's stated in the list of questions offered to us requests information on subscriptions and for periodicals and magazines, etc., and that's the very specific information that's here as opposed to any assistance to organizations in any other way. And there has been no change in practice and policy with respect to the departmental staff subscribing to magazines and journals in their field of interest.

**Mr. Swenson:** — Thank you, Mr. Minister. Mr. Minister, next question involves the coaching for results program and it is a program where you had salary increases based on performance reviews. I'm wondering, Mr. Minister, in your department if that program is active and any such increases that have occurred in '91-92. And will there be

increases in '92-93? Would you give the size of the increase and percentage in actual dollar terms and what portion of employees that were involved in the program, over the two calendar years, had increases?

**Hon. Mr. Wiens:** — Mr. Chairman, the coaching for results program is being used across government departments and in each of the agencies for which I'm responsible. And the range in pay increases in '91-92 through, those ranged from 4 to 8 per cent in each case.

(2030)

**Mr. Swenson:** — Thank you, Mr. Minister. Would you please provide a list of all employees that have been reclassified since November 1, '91. And in cases where the same employee received more than one reclassification, give details of all reclassifications for each employee, including the employee's name, title, and salary before each reclassification and after reclassification, the reasons for each reclassification, the date the employee was originally employed anywhere in the Government of Saskatchewan, and the date of each reclassification.

**Hon. Mr. Wiens:** — Mr. Chairman, I will. There are, I think, if I have it correctly here, three within the department of Agriculture and Food, one in ACS, and none in the tripartite program.

**Mr. Swenson:** — Thank you, Mr. Minister. Could you provide the total cost to the department of all days for which employees were paid but during which employees did not actually work, including all earned days, special days off, sick leave, and any other paid days off, breaking down in totals by category?

**Hon. Mr. Wiens:** — Mr. Chairman, the information is provided in days for the Department of Agriculture and Food. For 226 employees, a total of 1,076 days leave, an average of 4.7 days per employee.

In ACS, total value of scheduled days off, sick leave, annual leave, and statutory holidays is \$1.268 million. And in the tripartite program, total cost to the department of all paid sick days, \$13,541. The actual sick leave portion of the number under ACS was about 15 per cent of the total — about \$189,000.

**Mr. Swenson:** — Thank you, Mr. Minister. I'm sure that'll be interesting.

What was the total long-distance telephone bill for the department in '91-92 and the projected long-distance bill for '92-93?

**Hon. Mr. Wiens:** — For the Department of Agriculture and Food budgeted for '91-92 was 188,000; actual was \$158,334.84. The budget for '92-93 follows the budget for '91-92.

In ACS in '91-92 the expenditure was 233,000, budgeted; for '92-93, 242,000. And for Tripartite, '91-92 was \$11,144.18 and budgeted for 1992-93, \$12,000.

**Mr. Swenson:** — Thank you, Mr. Minister, could you

provide a complete list of all media monitoring services the department pays for, including all clipping services and broadcast monitoring services, detailing the names of each firm or person providing the service; the cost of the service since November 1, '91 and the estimated cost for '92-'93; the distribution list for the clippings or media reports; who gets the service, the minister's office, who else; the media sources and subjects being monitored; the reason for the service and a copy of the contract engaging the service. Were the services obtained by tender? Was the need for the service advertised?

If the government also or instead provides such services internally, detail the internal cost associated with providing the service including the salaries of the employees providing the service, as well as the distribution list and the sources and subjects to be monitored with internal resources.

**Hon. Mr. Wiens:** — Mr. Chairman, I won't respond to the individual questions unless the member opposite wants them read into the record. There are none of those services provided for ACS and Tripartite. The agencies involved are the same agencies as began in November. There are four that provide services to the Department of Agriculture and Food: WestScan, since November 1, 1991, \$3,700; Prairie Media Watch, \$85; AgriData, \$905; and Infomart, \$950. The estimated costs for '92-93 is: WestScan, \$4,500; Media Watch, \$100; AgriData, 4,000; and Infomart, 1,000. And other details in answer to the questions asked are here for the member.

**Mr. Swenson:** — Thank you, Mr. Minister. Does the department pay for any freelance or contract writers including speech writers? If so, the names of the persons being paid to provide the service, copies of any contracts, purpose of attaining the service internally or externally, a list of persons for whom the writing has been done and the occasions associated with specific writing assignments, audio-visual equipment including production equipment. For the services obtained by tender, was the need for the service advertised?

**Hon. Mr. Wiens:** — Mr. Chairman, there is one contract writer for the department, it's Elaine Carlson. The contract . . . there was a letter of agreement signed with Elaine on January 3, 1991. She continues to provide that service under that same letter of agreement. The total expenditures to date are \$13,170.

**Mr. Swenson:** — Was that January 1, '91? January 3, '91 or '92?

**Hon. Mr. Wiens:** — '91.

**Mr. Swenson:** — Thank you. Mr. Minister, could you provide a list of the travel agencies the department does business with, the names of the owners of the agencies, the value of business done with the agencies since November 1, '91, the basis on which the agency was selected, and whether or not there is any contractual obligations on the department to use a particular agency.

**Hon. Mr. Wiens:** — ACS, Mr. Chairman, provides none. Tripartite, the services are provided by Marlin Travel, but there is no contractual obligation. There's a good working

relationship there. And the Department of Agriculture and Food is served by National Travel. The value of business since November 1, 1991, is \$89,842, and I'd have to ask the member opposite on what basis it was selected because the selection was made by the previous administration.

**Mr. Swenson:** — Thank you, Mr. Minister. I would like a list of all committees, commissions, boards, and agencies created by the department or on which the department participates or for which the department is responsible, including in each instance the name and date it was created; names, titles and salaries and expense payments of committee members and its staff; similar information for committee staff; the purpose of the committee including terms of reference and expected completion date; the established authority . . . the establishing authority; all of the costs of the committee; and finally how committee members were appointed; whether there was any kind of advertising or public involvement in the committees' creation and appointments; any board, commission, agency members terminated or replaced.

**Hon. Mr. Wiens:** — Mr. Chairman, the information is here with the name of the body created, the names of the participants with the purpose of the committee and a broad description of sometimes all of the information the members opposite ask, but a broad description of information that we believe would be of interest to the members. It's not organized in exactly the format that the member opposite asked with respect to each agency.

I'd ask the member to review it and if there's any further information or detail that would be desired to ask us for those specifics and we'd make any effort to provide them.

**Mr. Swenson:** — Mr. Minister, are there any other committees, boards, commissions, agencies, or other bodies that are separate from, but responsible to, the department or to the minister in his capacity in this portfolio? And if there are, I'd like the same breakdown attached to any of the individuals or whatever that was asked for in the previous question with those individuals.

**Hon. Mr. Wiens:** — Mr. Chairman, with respect to ACS, there is the board that manages the agency which is essentially outside of my department but responsible to me. The other agencies that are here listed for which the information is provided are agencies with which the member opposite, I believe, would be familiar.

For example, the Cattle Marketing Deductions Board, the Board for the Beef Stabilization, the Horse Racing Commission, the Prairie Agriculture Machinery Institute, The Farm Financial Stability Act, which is the Tripartite beef; canola development, the council of the Saskatchewan Veterinary Medical Association, the Agri-Food Product Development and Marketing Council, the Agri-Food Appeals Committee. I believe that's it.

Then there are a number of the supply-management bodies here. So they are all directly related to the departmental function, but are not internal within the department. And the detail is all here.

**Mr. Swenson:** — Thank you, Mr. Minister. In each vote

where it states, other expenses, could you please provide a complete breakdown of what these expenses are? That title provides no information at all and the committee cannot be asked to approve money for purposes which it cannot distinguish.

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, that information is here in the spades — one for each subvote. They include coroners' fees and miscellaneous professional services and rented grounds and office equipment and aircraft and photocopiers and broadcasting services and repairs to building construction and structure, repairs to machinery, and the list goes on and on — different for each subvote. And if there is any further detail required, I ask the members opposite to ask the administration to answer them for them.

**Mr. Swenson:** — Thank you, Mr. Minister. Would you please list all fees, charges, and levies that SPMC (Saskatchewan Property Management Corporation) makes whether on or other government departments or agencies, individuals, employees, or other organizations. And I'd like a list of everything that you make a charge for, how much the charges are, and what the expected revenues are from those charges.

(2045)

**Hon. Mr. Wiens:** — Mr. Chairman, there appears to be some need for clarifying the question because when the member gets this file, he will find that there is no information in it. The department does not bill the Property Management Corporation for any fees or levies, which is the essential point of the question, nor does ACS or Tripartite.

The latter part of the question is listed . . . that says I want a list of everything you make a charge for, that seems to be more appropriately answered in question 34. So this file is essentially empty.

**Mr. Swenson:** — Well, Mr. Minister, you can appreciate I'm not the normal critic for your department, and I suspect that I'll let you and the critic talk about that at a later time wherever.

Mr. Minister, there are numerous references in your estimates where the estimates are being changed to reflect changes in the organization of the department and other changes regarding accommodation. Would you please provide the details of those changes, including what piece of the department is lost or gained, employees that have been transferred in or out, from where and to where? And please could you be very specific about the changes in regard to accommodation?

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, there are several changes within the departmental structures. The counselling assistance for farmers, effective August 1, 1992, management of existing guarantee portfolio will be transferred to the Ag Credit Corporation of Saskatchewan. The additional information relative to that is here .

The extension services were brought, transferred from Rural Development to Agriculture in the spring's budget. The budget of \$5,047,400 and 90.5 person years is

transferred into the Department throughout that reorganization. The new program is the farm stress management which is provided for in our new budget of \$400,000 and 7 person years.

And the significant change to ACS relative to this budget is the taking in of the CAFF (counselling and assistance for farmers program) program. No additional staff have been added. That's going to be absorbed within the ACS staff. If there's more information or detail required, we would be pleased to look it up and provide it.

**Mr. Swenson:** — Thank you, Mr. Minister. Mr. Minister, your department has many policy and procedure manuals. I think you would have a human resources manual, and it probably spells out to prospective employees how to be interviewed, on what basis they are judged, how successful candidates are selected — that type of thing. You will also have ones including policies and procedures on discipline, promotion, use of departmental equipment, vehicles so on. I wonder, Mr. Minister, if you could provide a copy of each that is used in your department.

**Hon. Mr. Wiens:** — Mr. Chairman, there is, for the department here at this point, only the human resources manual. If there are other concerns with respect to policies regarding other elements of administration in the department, I'd be pleased to ask the department to provide those. There are here as well, two administration manuals from the ACS with respect to the specifics of their operations, and I'll forward those to the members opposite.

**Mr. Swenson:** — Thank you, Mr. Minister. I'm sure the critic will understand them a lot better than I. It's been a while, Mr. Minister, since I had to use those manuals on a day-by-day basis so . . .

Is the department currently engaged, Mr. Minister, in any legal actions? If so, provide me a list of all the legal actions to which your department is party. And I would ask you to include all of your various areas that we're discussing tonight, including the nature of the action, the lawyers representing the government, a detailed breakdown of the cost to date, projected costs, including any contingent liabilities, any background details that cannot be legitimately classified as confidential.

**Hon. Mr. Wiens:** — Mr. Chairman, there are within the department, I think, five or six independent actions, of a variety of sort, with some detail attached here for the members opposite.

In ACS there are . . . Between November 1, 1991 and March 31, 1992, ACS initiated legal action against 31 clients and filed notices of intent on 19 clients. This was with respect to loan recovery. The total fees paid out with respect to these actions is \$18,909.50.

With respect to Tripartite, the beef collections, there are 11 files of clients that I would estimate something under \$10,000 in total fees, and one with respect to a previous employee. I will forward that to the members opposite.

**Mr. Swenson:** — Thank you, Mr. Minister. Mr. Minister,

you've already indicated that from a previous question you've included some of those SPMC charges on this one. I'll go through the question. And then we can . . .

Provide a list of all fees and charges the department levies for services or products, whether those fees are charges or levied on members of the public, outside the organizations, other parts of government, internal parts of the department or employees, including the names of the fee or charge, the amount of the fee or charge over the past 10 years and the total collected to date and the projected to be collected this fiscal year.

**Hon. Mr. Wiens:** — Mr. Chairman, there is a reasonably substantial file here of detailed information on individual fees and the basis of their collection, both for the department and for the Ag Credit Corporation. To simply say for the department that the '91-92 budget provided for \$19 million, almost \$20 million in fees. Actually collected was \$17,223,891. The budget estimate for 1992-93 is \$5,460,800 in fees. I'll provide the detail.

**Mr. Swenson:** — Thank you, Mr. Minister. That completes the list that the critic has provided. I can appreciate that it probably took quite a bit of endeavour by the individuals in your various responsibilities to put this together.

But as we've noted in other departments, Mr. Minister, this is the very first time that this type of system has been tried in estimates. And I think you would agree that even though it does take some time to put the information together, that its thoroughness ensures that both you and I will be very diligent in making sure that the taxpayers have an open and accountable government. And I appreciate all the work that your employees have gone through to provide this information. It'll be very easy in subsequent years to cross-reference how we're doing.

I'm going to turn the floor over, Mr. Chairman, to one of my colleagues.

**Mr. Muirhead:** — Thank you, Mr. Chairman. Mr. Minister, the first question I'd like to ask you tonight is a question we talked about in question period today, Mr. Minister — the current rates charged by Agricultural Credit Corporation — ACS.

Do you know what they're charging on capital loans?

**Hon. Mr. Wiens:** — Just before I answer that question, I just wanted to make a comment to the members previously asking questions.

With respect to the detailed travel information that has been requested by the members opposite, there was several boxes of that information collected for the member from Saskatoon Greystone. And the department would appreciate your understanding them taking those boxes back to copy that information for you so they don't have to recover it all from original sources. If you could wait and receive that information later.

You know, maybe I'll just repeat. The travel information, which is several boxes full, was prepared for the member from Saskatoon Greystone. The department would

appreciate if they could take that information back to the office and copy it from that source so they don't have to recover it from original sources to provide it for you. Thank you.

The interest rate on the capital loans is ten and a quarter per cent.

**Mr. Muirhead:** — Ten and a quarter. Is there any review going on to maybe lower those interests to get in line with other lending institutions in the province, Mr. Minister?

(2100)

**Hon. Mr. Wiens:** — Mr. Chairman, the practice of setting rates has not changed substantively since November, 1991, other than that the rates are now reviewed on a monthly basis. They were established on a quarterly basis previously. They are now established on a monthly basis, and they are based on a formula which takes as its root, the Government of Canada bond rates for the previous three weeks.

**Mr. Muirhead:** — Mr. Chairman, Mr. Minister, we now have . . . do you not think that the department should be looking at a quick and fast review immediately? Like this is the lowest interest rates in 23 years in Canada. And I'd like to get a response from that, but I got some other questions I'd like to get answered along with it.

How much of that ten and a half per cent interest, or whatever the interest rate can be, what is the percentage or what's the dollars and cents built into an interest rate that's for administration?

**Hon. Mr. Wiens:** — Mr. Chairman, the rates established for these types of loans are in fact competitive with industry. They are provided on the basis of the cost of Government of Canada bonds. They are fixed for the term of the loan for which they are established. They are subsidized to the extent that no charge is laid onto them for administration.

This is a direct reflection of the cost of the borrowing of those funds under the circumstances at the time the loan is made.

**Mr. Muirhead:** — So, Mr. Chairman, Mr. Minister, you're saying that when we look at the vote, the cost of the complete administration of ACS, the interest rates would be built . . . the interest charge would be built into that?

**Hon. Mr. Wiens:** — Mr. Chairman, the government has budgeted within their allocation \$14.773 million for the administration of ACS. That is how the cost of the administration is borne.

The loan rates are a direct reflection of the cost of the loans for the purposes for which they're acquired at the time they're acquired for the term of the loan.

**Mr. Muirhead:** — No, I know what the cost is, Mr. Minister, for administration. My question is: of that . . . in the very first place my question, Mr. Minister, was for new capital loans. It wasn't for existing because I understand that. Whatever loans are out there over the terms. The

same thing at FCC (Farm Credit Corporation), whatever, and banks, and there is some that have floating . . . a lot of lenders are lending out on a floating rate; that's fine, but ours are fixed rates. I understand that.

No, my question is, of the minister, of the funds for administration, how much of that would be subsidizing these interest rates? You said that we subsidize, we don't charge for administration to the farmer. He doesn't . . . whoever the borrower is, he's not charging. He's not charged for interest rates. How much money does that cost out of that fund — 14 million?

**Hon. Mr. Wiens:** — Mr. Chairman, without giving a seminar on ACS lending practices, it goes something like this. At a time previous, the ACS, under the capital loan program, loaned out money at fixed rates, regardless of cost. They now loan out money at costs plus 1 per cent. The marginal savings they make on the 1 per cent goes to offset costs in other parts of the portfolio from previous lending practices and overall the capital loan program is roughly on a break-even basis on that basis. And as I said earlier, then the cost of administration is borne by the grant to ACS from the government.

**Mr. Muirhead:** — Well is there — I don't want to dwell on this, Mr. Minister — is there a ballpark figure that your officials could give you, what it actually costs the taxpayer in a total year for subsidizing these rates?

**Hon. Mr. Wiens:** — Mr. Chairman, on page 19 of the Ag and Food budget subvote 23, the amount is there at \$8.776 million, the total cost for interest subsidies under the Ag Credit Corporation.

**Mr. Muirhead:** — Okay thank you, Mr. Minister. Now going back to this ten and a half per cent, I may want to come back on that later on, Mr. Minister, because I'll have to look at the . . . think about that. I want to move on.

In this ten and a half per cent interest . . . and maybe are you considering a new review of maybe lower interest rates for farmers? Because what we talked about today in the House was referring to a letter from the Bank of Montreal where they're lending money out to farmers at five and three-quarter per cent.

Now I'm sure that's got to be a pretty preferred customer that could walk into the Bank of Montreal and he's going to have to . . . he's not going to be a person that's sitting on the verge of bankruptcy, he's not going to be a person that owes every creditor in Saskatchewan, but that's where my question comes in now.

Is there any preference or are you looking at a policy for different rates for say high rate, high cost — well I don't know how to put it — high risk, I should say, high-risk lendings, medium or low. Have you ever looked at anything like that, Mr. Minister? Has the Department looking at it? I know when we were in government, we didn't do that but we were thinking about. And I know that it's a thought that we should be maybe thinking about.

And I was wondering what you're thinking about here. Because we all know that any lender lending out . . . and

ACS is the same as any other lender — they have more risk loans. And if somebody comes in there that's got lots of assets can there be a . . . is there a policy of maybe looking at a different rate for the high or low risk or in between?

**Hon. Mr. Wiens:** — Mr. Chairman, certainly from the letters I get relative to the Ag Credit Corporation, there are farmers across Saskatchewan concerned about their ability to repay those loans. And often the letters are from people who feel that because they are in a tougher situation, they believe that they should have special consideration because they have a greater difficulty in paying, as opposed to the reverse, where you would actually apply a lower interest rate to those of the lower risks. So that is the policy dilemma the Ag Credit Corporation faces.

We have a new board in place for the last couple of months. They are engaging in an overall review of Ag Credit policies, but — and this is one of the issues under consideration — but there are certainly no even policies of a particular nature yet being tested.

**Mr. Muirhead:** — Yes, Mr. Chairman, Mr. Minister. I understand that it's a tough situation here. Here's a farmer that's just on the line to borrow money and you charge him more because he's a higher risk. But as you talk to people out there, the guy that wants to . . . the farmer, or whoever wants to go borrow money, he says to himself: why should I pay the same interest rate with him when I'm not a high risk?

And that goes back to when we — in 1986, I believe it was, Mr. Minister — that we lent money out at 6 per cent interest for the production loan. At 6 per cent interest, I know we were condemned that we shouldn't have lent money to the people that had money. But it's something the same thing that we're talking about here. The people that had the money, at least they paid it back. The low risk, they're the . . . we . . . who had the trouble with.

I know I remember the figures — I'm not sure about them now — but I remember a couple of years ago when we were told by ACS that over 50 per cent of the money was all paid back, and that it has been coming along, and about 8 per cent wasn't able to meet their obligations at all.

Have you got any figures from the department of ACS? Seeing I see you got officials with you tonight, I thought it would be a good chance to ask some of these ACS . . . I'm the critic for ACS and when they're here, maybe we can get through some of those tonight.

And can you give me the figures now where the production loan stands of what percentage of the farm . . . Could you tell us — I forget the figures and I should know — what's the total farmers that borrowed money on the 6 per cent production loan and what's the total completely paid back? What are the ones written off? And what's still . . . how many are still paying and whatnot? Could you just give us a run-down on that? I know that'll take a little time and that's fine.

(2115)

**Hon. Mr. Wiens:** — Mr. Chairman, I'll begin to answer the question while the officials look for another little piece of information. There were originally 57,614 clients who borrowed about \$1.1 billion. There are now about 25,000 clients still with accounts owing, a total amount of about \$393 million. Of that, 248 million is in accounts which are current; 66 million are in accounts which are delinquent, that is, they're behind; and 78, almost \$79 million is in accounts which are in some form of recovery process.

Now the information the officials are looking for is what is the amount that's been written off in the program since day one, and I will get that information to you as soon as they have it.

**Mr. Muirhead:** — Thank you, that's fine. We'll just continue on while they're doing that, Mr. Minister. This doesn't come in the line of questions of ACS, but I did have another one that I'll ask you before I forget it.

There was some talk here last fall and while the session was on and something I'd like to straighten out. When you went to Ottawa and took a group of people with the department to meet with the Prime Minister or the Minister of Agriculture, whatever, to obtain funds for Saskatchewan, do you have a list of what the total costs of that trip cost and a list of all the people that went? And I'm not in any hurry for that. That could just be something you could get for me.

I just want to ask you a particular question pertaining about one individual. Because I have made, and some of our colleagues have made, an accusation that the Leader of the Liberal Party, her trip was paid for on that same trek to Ottawa, which there's nothing wrong with if it was, but she has told us that she didn't receive any . . . she went completely on her own. And I'd like you to tell us whether . . . find that out whether she was included in that or not.

**Hon. Mr. Wiens:** — Yes, I can answer the question with respect to the member from Saskatoon Greystone. She did go to Ottawa on her own. She was there on other business and she did participate in some meals with the group but there were no expenses paid on her behalf.

With respect to the other information, the department would be pleased to provide that for you at a later time. And they'll make sure they do that.

**Mr. Muirhead:** — That's fine and there's no hurry about that. I just, when you give me that answer about the member from Greystone, then I have to make a statement because I made the accusation here one day here not too long ago that she had a free trip. I guess I made that this spring and she asked me about that.

And I said if I could find out that she didn't I would apologize. And I wish to apologize to the Leader of the Liberal Party, that that is not a correct statement, that the government didn't . . . and I don't know where it came from, whether it came from the department. That just seemed to be common knowledge.

And I don't think it's fair that if she paid her own way, that

our party or anybody is saying she did. So I just want that correction on the book. Anyways, she got in on some meals or something, forget that, that's nothing because we were only talking about the plane trip and the hotels and what not. And if she paid that herself, and I'm understanding she did, then I want to make it very clear that I withdraw my accusation, and I just want to put . . .

My next question, Mr. Minister, is the livestock cash advance. I understand that you're dropping that program or just how it's being phased out or whatever. Could you bring us up to date on that, Mr. Minister, just where that is at?

**Hon. Mr. Wiens:** — Yes, I would just like to say with respect to the travels of the member from Saskatoon Greystone that I believe she was invited to come with the group, so it's understandable that you might have become . . . that you might have not had accurate information about that because I believe we did invite her and the Leader of the Opposition to come. At the time, it just so happened she was in Ottawa on other business, so it was an understandable misunderstanding you may have had in that regard.

With respect to the livestock cash advance, the interest will begin to accrue on accounts as of August 1 . . . Excuse me, I need to clarify a point here.

Yes, as I began to say, the interest begins to accrue as of August 1 for the program, but each client has their own anniversary date, and they have a contract for their livestock cash advance which extends until their anniversary date, so it's interest free until their anniversary date. The first interest is then payable one year after interest begins to be charged. So the lucky person that had a loan, a livestock cash advance, as of July 30, 1992, would not have their interest clock start until July 30, 1993, and their first interest payment would be due July 30, 1994. That's the extreme case, although most accounts have their anniversary dates in November and December.

**Mr. Muirhead:** — And what is the interest rate they'll be charged at, Mr. Minister?

**Hon. Mr. Wiens:** — The interest rate will be prime plus two which presently is eight and a half per cent.

**Mr. Muirhead:** — I did have one question that I . . . when they're looking up that information there for me, Mr. Minister, I did have one question back on the interest rates that I forgot to ask, and I might as well do that now so as I check off my list here, the questions I want to ask, then I don't have to go back. It was, what is the cost . . . we talked about administration, we talked about the ten and a half per cent interest, but what's the cost of borrowing the money? What do you borrow the money at? Sorry, I don't mean the cost. What are you borrowing the money for?

**Hon. Mr. Wiens:** — The rate on those loans is nine and a . . . The cost of the funds to the Ag Credit Corporation is nine and a quarter per cent. And while I'm up on the question, I didn't complete the answer earlier with respect to production loan program. The write-offs to

date, from the beginning of the program, are \$18,170,942.

**Mr. Muirhead:** — Mr. Minister, just another question on that nine and a quarter. Are you telling me that that's for new capital loans? That's what it's going to cost you if somebody come in today and say they're going into irrigation or a large hog or chicken project, and they're going for a new capital loan, that's the cheapest you can borrow money in the market-place is nine and a quarter?

**Hon. Mr. Wiens:** — Mr. Chairman, the funds are provided from the Department of Finance at a cost of nine and a quarter per cent to the Ag Credit Corporation for capital loans.

**Mr. Muirhead:** — Mr. Chairman, Mr. Minister, you said they're borrowed at a cost — from the Department of Finance — at a cost of nine and a quarter. Is that what the Department of Finance would be borrowing that money for, nine and quarter? Or is there another administration cost comes in there?

**Hon. Mr. Wiens:** — Mr. Chairman, the Government of Saskatchewan, as I understand it, now going out to borrow funds for a 10-year portfolio with our credit rating, would pay nine and a quarter per cent.

**Mr. Muirhead:** — Yes. Okay, I accept that, Mr. Minister, that would be it. But, Mr. Minister, if ACS were going to help . . . You know, they're kind of the last resort for an awful lot of people. You go to ACS if . . . You know, if you're a well-to-do farmer and you're going to buy a new tractor, you'll go and get 3 to 4 per cent interest through the machine . . . John Deere finance has been as low as 8 and 9 per cent and you can get deals from Case international for 3 and 5 per cent interest on new machinery. And I know that's good for the farmers and that's where they can go.

I'd just like to leave this with you, that I'd sure like to see the new board to shop around and see if they can't get money cheaper than that. Maybe they should be going to the Bank of Montreal. They seem to be writing letters out to farmers wanting to lend money out at five and three-quarters. Maybe they should be shopping around because maybe some other lender will lend money a lot cheaper.

So I'd just like to get your commitment — I'm not going to dwell on it, Mr. Minister — get your commitment that this is important because a lot of people for their livelihood and to hang in there have to go to ACS, and ACS has always been good to be the last resort of lending. And I don't think that that's going to be any help to them, at nine-and-a-quarter-plus, if it comes out to ten and a half per cent interest and you can borrow money other places cheaper.

If they're not able to . . . That's fine, if they're able to go. But if they can't and have to come to the last resort, I think that they should be the lowest, if possible. And maybe you could be looking at something like that.

**Hon. Mr. Wiens:** — Mr. Chairman, I think there are a number of issues raised in the question by the member

opposite. I don't want to dwell on them at length because I don't consider myself an expert on borrowing.

(2130)

But there clearly are in the interest rates quoted with respect to machine dealers and those kinds of things, marketing techniques involved in the provision of funds under some circumstances. The issue with respect to the prime rate right now as opposed to the 10-year rate is very much the issue of providing the security of a 10-year loan, for example at nine and a quarter per cent, as opposed to the insecurity of borrowing on the short term at five and three-quarter per cent for example, but being left to the vagaries of the interest market, the capital market two years hence, when you may all of a sudden be again in the 18 per cent cost-of-money category, having enjoyed the pleasures of the five and three-quarter per cent market in the short term two years previous.

So there's the short-term versus the long-term question that ACS deals with, and they're trying to provide the best rates they can while they're offering farmers stability and a constant rate.

**Mr. Muirhead:** — I understand, Mr. Minister, that you're not going to be able to go out in the market-place and borrow money the same as you can for six months or eight months at short term, because that's what the Bank of Montreal is, they're just guaranteeing that for six months. But also we're only paying six and a half or 7 per cent on government bonds and the interest rate is down. I just encourage the department to try to get money borrowed as cheap as they possibly can.

They got to go out and maybe you'll have to . . . I know I don't want to get into it with you tonight. Next week maybe we'll get into a little further debate on your estimates, Mr. Minister, but I don't want to get into any arguments with you, but maybe we'll . . . because I'm sure if I talk too much about when interest rates . . . When we took over government in 1982, that interest rates were 18 to 22 per cent interest, and we were subsidizing down as low as 6 per cent and 8 per cent interest to any lender who would subsidize for the purchase of farm land and all these kinds of things. And I'd just as soon not get into that tonight because I know we'll get into a debate on that's why the government was in debt, that's why; those are the things that did cost us a lot money.

But I guess if we hadn't have done that, Mr. Minister, helped farmers with low interest rates when interest rates were 18 to 22 per cent interest, there might be a lot less farmers than we've got now. But that's the debate that we can talk about . . . This is Friday night and it's late and we've had a strenuous week and we've had a real, good day. And as you can see, I'm asking questions very nicely and I'm not making any big speeches or rhetoric about the Department of Agriculture, and I appreciate you and your answers that's coming from your capable help that you've got there tonight, so we'll just move on in that manner.

Another question about the livestock cash advance. Is that program completely stopped as of now, that anybody else can come in and get a livestock cash advance? Is that fading out, or where's it at, or did it stop completely?

**Hon. Mr. Wiens:** — Mr. Chairman, I'll just maybe give a little additional information on the previous question and then answer the question that was asked now.

The officials from the Ag Credit Corporation were looking within the last couple of days, looking with the board at some of the alternative practices that you're suggesting. And clearly, I think we need to keep our minds open to find the best rates for farmers who borrow through Ag Credit Corporation.

On farm land which is completely secured, the five-year rates are nine and a half per cent. In the non-business area, seven-year rates are nine and a quarter per cent, and agricultural equipment loans of five years at a fixed rate are twelve and a half per cent. These are fairly typical industry rates at the moment.

So you see that the Ag Credit Corporation rates for 10-year programs are certainly in the ballpark.

The livestock cash advances, the policy I described earlier describes the practice for existing loans. New loans continue to be available at prime plus 2 per cent for people who want to access that source of credit.

**Mr. Muirhead:** — Thank you, Mr. Minister. So you're saying that if it's a brand-new producer and he asks for a loan on cattle, it's still available at the same interest rate that somebody else is paying. It's still available for everybody.

**Hon. Mr. Wiens:** — Yes, it's applied in the same way as it was previously other than the interest rate.

**Mr. Muirhead:** — Could you just explain a little bit to me, Mr. Minister, what your collecting policy is? If you have a client or whatever that is behind in their loans, what is really . . . Have you got a collecting policy or is it just different for each and every . . . I know no two clients would likely have the same situation, but do you have a collecting policy?

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, there are in the policy manuals sent over earlier — that others intend to read on the weekend — some reflections of those policies, but they are in brief that the Ag Credit Corporation did substantially increase their staff to deal with their loan portfolio a couple of years ago so that they could provide a more sensitive collection practice.

They attempt to deal with the clients individually. They attempt to extend payments, sometimes adjust interest rates, do whatever they can when the farmer meets the criteria outlined in the policy in order to make it possible for farmers to continue in their operations if they're making every effort to co-operate with the corporation.

And it's only in cases where all of those efforts fail, that realization on assets is considered.

**Mr. Muirhead:** — Mr. Minister, the question I'd like to ask now is . . . and ACS isn't a big holder of land, I realize that. It's either more like irrigation production loans, livestock and some machinery, perhaps. But in some cases, they

must own land. They must have taken land back or repossessing because in a lot of instances, I'm sure that land was put up for collateral for loans, especially in hog businesses, feedlots. But in some cases land was put up.

So if you repossess land and you now own it, do you lease it back to the farmers? Or do you put it up for sale, or what is the policy?

**Hon. Mr. Wiens:** — Mr. Chairman, the member opposite is correct in identifying that sometimes ACS does realize on land. They presently hold 13,315 acres from 57 clients. It was the practice of ACS, until about a year ago, to return that land to the market-place as quickly as possible.

They have, since the discussions that we have engaged in with other lending institutions, they have honoured the special practices of not foreclosing. They are now, as an agency, instituting a six-year lease program consistent with the advice given us by the Farm Debt Advisory Committee.

**Mr. Muirhead:** — Mr. Minister, there was a noise there for a second. I didn't get the acres. Would you mind giving me those acres again that's owned, Mr. Minister?

**Hon. Mr. Wiens:** — There are 13,315 acres which represent 57 clients.

**Mr. Muirhead:** — Thank you. I thought maybe there'd be more land. It isn't a great amount of land at ACS. You were saying that they're not going to foreclose any more. Wouldn't they have to foreclose to . . . under the six-year program, would they not have to foreclose and then give them the lease, or do you give them a lease before you foreclose?

**Hon. Mr. Wiens:** — No, the member opposite is correct. The period of special measures when none of the financial institutions in fact carried through any final foreclosures was in the period agreed to from January to March. And it is in the . . . clearly when land is taken over either by voluntary transfer or foreclosure that the ACS then offers the lease back.

**Mr. Muirhead:** — Mr. Chairman, Mr. Minister, you sent a paper over to the member from Thunder Creek asking about current legal actions. And I'm just wondering if the paper you sent here, is that just legal actions against the department? I think he was meaning ACS. How many legal actions on Agriculture Credit Corporation?

**Hon. Mr. Wiens:** — Yes, if you have the file, there are three separate pieces of paper in there. There is some detail on the departmentally based cases. Then with respect to ACS and tripartite, there is a summary. And in the case of the tripartite program, there is a listing of the clients with against whom legal actions have been undertaken and one former employee who's engaged in a legal action with the department, with the tripartite program. And there's a summary sheet in that file as well. I think the number was about 31 cases, if I remember from the previous answer, that ACS has engaged in.

**Mr. Muirhead:** — All right, Mr. Minister. I have a lot more



questions that I'll be talking about, but I see the member from Estevan here and I know he wants to ask some questions. I want to get into the in-depth either later tonight or the first of the week about the report of the Farm Debt Advisory Committee. I have a lot of questions I want to ask there.

And I understand from the House leaders, this afternoon when the people negotiating that Farm Land Security Board and mediation services we know comes under Justice, but to accommodate the Minister of Justice so he could go some place this evening — and we accommodated him — but we were assured that we would be able to ask you questions. And I don't know whether you have any of those officials here or not. If you haven't, I'm not going to get into it now. And so if later on, maybe we can get into some of that. But if not, we can . . . If they're here, then after my other members are through, we may get into that. I just want to know whether I could prepare for that or not.

**Hon. Mr. Wiens:** — Yes, Mr. Chairman. In fact, I think with respect to the officials from Justice, if we could dispose of those questions today, it would be good because they are here waiting. But I'll respect the order that you wish to ask those questions in, but the members . . . the officials from the Department of Justice are here and are willing to answer those questions at your leisure.

**Mr. Muirhead:** — All right. Thank you. I guess I have some questions prepared but we'll let the member from Estevan ask questions now. And I know we have a couple of more colleagues here. If it works out . . . We'll try to work it out. I'll try to accommodate. I haven't got that many questions, but I'll try and accommodate them so they don't have to come back again the first of the week.

Thank you for your answers, Mr. Minister.

**Mr. Devine:** — Thank you, Mr. Chairman. A couple or three general questions for the minister.

The announcement today with respect to FeedGAP (feed grain adjustment program) in the beef and the pork industry, I'm sure was, and the minister would be sure that it was, welcomed by the industry. And in recent days, we've seen a sense of co-operation with people in various departments, and we saw that today. And I commend the minister and the government and the staff.

(2145)

We heard about the degree of potential co-operation last night on the AECL (Atomic Energy of Canada Ltd.) agreement. We've seen some co-operation in the pension legislation. We've seen some reconsideration with respect to roads and highways. We've seen acceptance of several amendments to the environmental legislation. Evidently the government's going to review the whole role of and expense of insulin with respect to diabetics. And today was announced your changes to the FeedGAP program and the feeding industry, particularly with respect to beef and hogs.

The opposition genuinely commends the administration for its accommodating,

or a little more accommodating, attitude. And perhaps to get a better sense of where you're coming from with respect to the feeding industry, could you just explain a little bit — and I'm sure you had a news conference today and I didn't have the chance to catch it — why you decided to do what you're doing, and how you think it might have an impact on the industry here in Saskatchewan. Because, like energy and other things, we are . . . the livestock don't just stay in borders. They move back and forth between here and the United States, Manitoba and Alberta.

And I wonder if you would briefly describe to the general public — and I know that there may not be a lot of people listening this evening, but some of the public — why in fact you decided to do what you did on the FeedGAP program.

**Hon. Mr. Wiens:** — Well, I'm sure the listening public that's there is a very loyal and dedicated group and deserves to have this information, so they don't have to turn over to the news channel to get it.

As the member opposite may be aware, the day after, I believe, or several days after the introduction of the budget in spring, I met with Saskatchewan Stock Growers. They raised questions about a number of budget items, and my challenge to them at that time was to demonstrate for us that the next economic development dollar ought to be spent in the meat sector.

I want to say that in an unprecedented fashion, the red meat industry came together and put their own proposals together. They met in forums in which they had never met before and put forward proposals to our department and engaged in a very positive and co-operative discussion with the department and with members of our government with respect to the future of the red meats industry.

We structured a special committee to work with the department, representing a number of the sectors of the red meat industry as well as some economists and some individuals who are in the farming business, to look at where the industry was going, to assess the effectiveness of existing programs. And the conclusion drawn by this committee was that in fact there was not an adequate analysis available to determine whether the present programs that had been involved with the industry were serving the industry well or the best economic development goals for the province.

Their recommendation to government, then, was that what was required was an in-depth study, one that they expected to take six months, involving external consultants and departmental people and the industry to look, to establish vision for the industry, to establish in what ways we could best develop our meat sector — which as you're aware is a very critical part of the agriculture industry — in what way the sparse government dollars could be spent to participate in the production and marketing of meats, of meat and further processed products from the basic carcasses. There were a number of issues that were raised by the committee that were also suggested should be done in this study. One is the impact of the subsidies in the neighbouring province of Alberta.

It's been our position that we do not believe that we can participate in a game for a long time with other provinces, and it would be our commitment to work with other western provinces to establish a regional strategy that let the meat sector, which is very competitive and very naturally one that should find itself in western Canada and particularly in Saskatchewan, that we would let them function hopefully independently of a lot of government interference in order to do business the way business needs to be done — that is because it makes sense to do it here.

I want to again compliment the red meat industry for their co-operative efforts. They will be central to driving the study that will be announced shortly in terms of the detail of the participants and the terms of reference. And I know that this is going to point to a great new era in Saskatchewan in the meat sector and all of the sectors in agriculture where the producer groups themselves will come together in a forum that is possible, to talk together in one place, to plan with government the very positive future that we see for agriculture and particularly the red meat sector in Saskatchewan.

**Mr. Devine:** — Well that's fair enough. That's commendable that the red meat industry has come together to put forward these proposals because they believe in their industry. And as you know from your own farming experience and university experience, there's considerable evidence associated with the spin-offs and the multiplier effects of the red meat industry in processing grain and value added and all the labour and so forth. In fact there's considerable amount of literature on the advantages to a society and the community of raising hogs — as you do — or beef or poultry or any of the livestock sector.

We are aware of that, and it's a serious business, this industry. They take it very seriously. And evidently you're taking it seriously, looking at the investment and the time and the effort that these people have put into it. They have huge herds of cattle. They have histories of their family involved in the hog business and the poultry business and others. So it's more than my political career or your political career. This is big time for them and they probably voted everything.

In that light, when they're this serious and you have decided to look at it again and come up and stay the course, at least for a while so that they can know that they can make investment decisions and they're going to be part of studying it and looking at it, would you also look at the other reasons or any other reasons why the industry should stay in Saskatchewan as opposed to being in Alberta or Manitoba or in North Dakota or some place else?

Because there are several ways that governments can be involved and several ways that people will make decisions to go some place — the provincial income tax level, for example, or the cost of gasoline or the fact that there's no sales tax in some place or other, or the fact that you would get easier and more accessible irrigation, you have more research money or you get lower grazing fees or you get . . . just a range of competitive things.

From my experience in that portfolio, if you look at American states and Canadian provinces, you've found a range of things that show that no one was without sin when you get into the international meat business, interprovincial or international.

Now some things we could do. That is, the interest rates ACS would offer, for example, compared to other jurisdictions; the price of gasoline, the taxes, the leases on grazing land, the tax system.

Now you know why I'm asking this, is if you're going to be . . . if you're sincere in this, and I take you at your word, you're going to really look at the industry, why should it be in Saskatchewan rather than Alberta?

And I believe it can be here and should be here and growing and we've put a lot of effort into that — and mind you, money — to encourage the studies and more packing and processing in bacon and so forth. And I really believe in it. And the irrigation and whatnot.

Would you commit to the legislature tonight to review the matrix or the list of various things that governments might be involved in — industry, universities — to provide a competitive, as you just put it, the comparative advantage why it should be here rather than some other jurisdiction?

Now that may be a fairly large task but there's a lot of research already done on it. And some things will come up. And some things that I will want to know about and people like me will want to know about is the question of taxes and taxation and the costs that government impose on the industry. That's very relevant. And it's a big number for them, and I'm sure you're aware of that.

And you could probably include that in your analysis. It wouldn't be difficult. And you wouldn't have to be, you know, particularly ashamed of it or happy about one side or not so happy about others. In some cases, Saskatchewan will rank well; in some other cases, they won't rank so good.

But that would be important to me, and I would think to people here on this side that are involved in the livestock industry, to know how we rank and how we compare, and particularly when you've committed this review panel and this review agency to study all of that, to know.

Now one of the questions, and this is not intended to be antagonistic at all, but you would know the advantages and disadvantages to the business community and the farming community and the processing and the manufacturing community, of even a form — and I say this just with an open suggestion — even a form of tax harmonization which would allow them to get . . . even if you targeted, and I've heard the Premier say well, we can't do it for everybody, but we'll target it. Maybe we'll target some for steel.

How about targeting some for the livestock industry? If you could say . . . and you know what I'm talking about because if in fact we could have the benefit in the processing and the manufacturing and the value-added, and anything that moves up and down that system subject to the same rules the feds have, you're quick enough and

sharp enough to know that there is a great deal of saving. That would give us an advantage over neighbouring jurisdictions.

Now you can check and compare on gas tax, and you can check and compare on insurance, and you can do other things. And as I mentioned, sometimes we'll do well and sometimes we won't. But would you be prepared to look at the elements of interprovincial comparison that you have some control over as a cabinet minister and as a government, and perhaps even look at the feds to see if they treat any jurisdiction differently than others, so that in fact the industry could really . . . If you were looking at investing in the livestock industry with your children and your people or your family for the next 20 years, you'd say well I really like Saskatchewan for these reasons — obviously the feed grain base — but here is what we can get on irrigation, here's what we can get on taxation, here's what we can get on energy costs, here's what it is on a combination of things.

Could you and would you be prepared to include those kinds of things in an analysis that you do so that we could really have a good industry discussion on how Saskatchewan could stay, if you will, internationally — certainly interprovincially — but internationally competitive in the red meat industry.

We're contemplating, and some are contemplating, even hosting international forums on agriculture competitiveness here in the province of Saskatchewan, associated with universities and others. It would seem to me that would fit well with the things that we're looking at because the grain base in the red meat industry and the processing of those are certainly something that's going to be here for a long time in Saskatchewan.

And as you know, if you can make them competitive they're going to really contribute. So would it be difficult for you to include that in your research and your analysis? I know taxes are more political than some other things, but it's fairly significant, and the fact that you made a move today which is public dollars in that industry is like a tax break frankly, and that's pretty significant. So you're prepared to look at it. Would you consider what I've just described and if you want some more of it on paper I suppose I could put it down but generally I think you get the drift.

**Hon. Mr. Wiens:** — Well, Mr. Chairman, I very much appreciate the suggestions offered by the member opposite. As I did when I structured the GRIP committee and the Farm Debt Advisory Committee, I asked them to determine the range of consideration within very broad parameters so that they could do a full examination and give me a full report of the industry without particular direction from me.

I will ask again that this committee do the same thing when it is struck to identify the issues that impact on the Saskatchewan industry and to analyse now the . . . I think they will find it necessary to limit themselves within some contexts. One of the pieces of information that is useful for me to know is how investment in the livestock sector compares for economic development purposes to investments in other parts of the agricultural sector.

(2200)

But to government as a whole it's important to know what the relationship of those relative investments is to investment in other nonagricultural sectors. Whether they will be able to provide that broad a scope they will have to determine. I suspect they will have to place some limits on the extent of their examination. It's our belief from the study that's been done in British Columbia recently that it will take six months just to focus just on the meat sector itself.

The fact however is, that the sectors are imaginative and energetic, and working together they will even be more so. I know that the hog industry, while they were discussing with us a proposal which led to the interim red meat production equalization program that was announced today, were also raising other questions with us.

The hog industry suggested that one of the greatest limitations to their expansion was access to capital and they provided a very creative solution, suggested a very creative solution and they're working with the Ag Credit Corporation now to develop it which I think should make it possible for them not only to borrow more easily from our government credit corporation, but should make them a desirable borrower for the private sector.

One of the things that I've heard repeatedly in the discussions with the red meat sector over the last couple of months has been that they would really like to live in a world where they are able to do business independently. And they want to be able to cost-out the kinds of services that government provides so that I think they want to cut to the core of the issue of costs, for example in irrigation development. If in fact it's costing a thousand dollars an acre for irrigation and that's being used for producing feed grains for a livestock industry, but you can't pay for the expenses on the piece of land with that kind of investment on it, they want to get to the bottom of that and say no, we need to make our judgement based on our real cost base and use the kinds of technologies that are appropriate for the production of grains. If that's not appropriate, then we need to find a different product to grow on that land so that in fact pay it back to government in the same way that we would expect to pay back to private investment in those kinds of areas.

So clearly the beef industry as well is looking, as they have in other countries, to niche markets, to special products, to expansions of markets. I know the beef industry is very aggressive in pursuing markets across the world. When I've met with ambassadors from Korea and Japan and a number of European countries, that they're aware of the quality of our beef, the quality of our breeding stock. The people across the world are aware of the quality of our hog products. And the production equalization program that was announced today also does apply to a number of other red meat areas that produce substantially less quantities than the pork or the beef do.

I appreciate again the suggestions that the member opposite has made and I would invite him in fact to list the

factors that he would want examined so that the committee, when they establish their own parameters, see the range of things that are possible. Clearly the impact of grading systems is an important variable that needs to be looked at in terms of how what's produced where, the probable path of exchange rates and interest rates, and as you so correctly point out, various policies of other provinces and the national government and the impact that those have.

It's clear to me that the livestock sector in Saskatchewan will prosper when we can remove from the system the unfair advantages that others place into it — an unfair advantage, I think, based on possibly not that sound an investment by other governments. I would find it difficult to believe that the Alberta government will ever get a return on the investment they've made, and their very substantial investment they've made, in the red meat sector.

They are also on a budget path that worries me a little bit. They're heading into a \$2.3 billion deficit this year and I understand a \$3.1 billion deficit next year. It's a path that I think they need to change and hopefully we can work co-operatively with the other western provinces to develop the very strong western regional base in the livestock industry that we very naturally ought to have.

**Mr. Devine:** — Well all I want to really know is to have your assurance that you won't categorically rule out various things because they might be a little bit more sensitive, and taxes are one of them. For example, as you know, in international trade there are certain things governments can do that are seen as green, which means they're not subsidized. Crop insurance is one, other kinds of insurance. I would think bonds, where you go in and guarantee people's investment, is getting pretty close to green, you know, whether it's development bonds or community development bonds and those kinds of things.

Immigration policy and immigration money — the livestock industry is very interested in the fact that there are countries who would be prepared to bring money in here and invest in a complete, international hog operation, beef operation or others. And there's things that the province could do with the federal government to help encourage that in a logical way, not to be subject to international trade restrictions. But say, we're open for business. And you've got money to invest, and let's look at it.

The whole question of equity — and the provincial government has just done \$500 million-plus in Saskatchewan savings bonds, equity that you've guaranteed — equity guarantee is as close to green in helping people as you can find. And you've already committed yourself to that. You've certainly done it with community development bonds. And that interest comes back in the community.

Now if we can do more of that and if you would look at, you know, if you will, . . . I don't know, value added processing bonds, industry bonds, community development bonds, where people are prepared to put their money into the livestock industry, backed up by the

provincial government that says it's your money, not the taxpayers'. We're there. We'll do the due diligence.

It has similar features as your bond that you just did, but it creates economic activity and likely not subject to Alberta or Manitoba or North Dakota or the Germans or the French or somebody else coming here and say, but, but, but, but. We'll say, well it's their money. It's local money going in there. And we've done the due diligence and it's fair enough and no guarantee of return at all. They might make a lot, and they might not make any. Okay? We just back the equity.

Now that kind of thing plus immigration plus other forms of bonds that people might look at or financial opportunities with ACS or others, plus that combined with tax changes . . . not necessarily tax changes that you'd be criticized for in terms of being subsidized. But if you looked at the bond part of it, you would find the community development bonds. You end up, as you probably recall, that you would be sales tax free which is an interesting concept. And you would be income tax free because they're eligible for RRSPs and postponing it.

But the combination that your Finance officials, your Agriculture officials and your others could put a package together where you are income tax free. You're sales tax free. You are free in terms of international concerns and attack . . . combination of financial instruments that involve taxation and governments. I mean clearly, you're a government. You're interested in it. You're interested today by your announcement. I mean clearly that's there.

So I just want you to, in a reasonable way, say that you won't categorically reject examining all forms of financial instruments even in terms of the taxation that you could put together to help formulate these. Which are . . . some days you have to use your imagination. It's a little . . . you know, it's a new world, new technology, money moves fast, and equity is much safer than debt.

And I'm sure you know that. And Saskatchewan has led the way in equity generation. It goes back for generations in the co-op movement, as the hon. member knows, putting equity in, having a share. But with new technology you can extend that and make it much more powerful.

So I just ask the member, or the minister, pardon me, if he would at least include or not categorically reject the various financial instruments that he could design or others could design with him that are local, interprovincial, co-operating with other governments — particularly the feds — and international so that if he had immigration packages, immigration plus bond packages, immigration plus equity packages, and a combination of things that generally will be accepted as not, you know, not cheating, not subsidizing, not getting into the trade wars. And I think there's much of it there particularly given our own free trade agreement but now maybe even the North American agreement and international, probably, opening up of markets.

We would like, and I would certainly like, your assurance that all of that is open for review. And I don't think you would have a problem with it. And even if it looks at

various taxation measures, at least, as we talked about last night, you could look at them. And you say: well, I've decided not to do it, but at least we're comfortable that we've examined it in detail and for these reasons we're not going to do, you know, the co-operative way with the feds or some other thing.

But could you have an open mind and review them with the industry so that they know . . . you can really lay awake at night figuring out ways to stay competitive and have a comparative advantage if not a competitive, absolute advantage here in the province of Saskatchewan, in the red meat industry.

**Hon. Mr. Wiens:** — Mr. Chairman, I appreciate the comments of the Leader of the Opposition in this regard because it's been very much the nature of the bodies that we have put to the task in this province in the short time that I've had the pleasure of being responsible for this portfolio, to in fact put people together who can . . . who represent a variety of points of view, who challenge each other to think creatively, who cross-fertilize their ideas and who come up with productive suggestions.

One of the things that's very critical, I believe, is that in fact this committee analyse the future policy direction for our province so that we can in fact challenge other provinces and the national government to adapt their policies to fit where we think the industry ought to go and what facilitates the development of an industry as it ought to be, and what in fact they ought to be saying about international trade policy when they're in negotiations.

Clearly the provinces and the industries that are in the province have not had enough to say at the national table in our international negotiations, whether it be on the Canada or U.S. (United States) level, or the NAFTA (North American Free Trade Agreement) level or the international level of GATT (General Agreement on Tariffs and Trade).

There are a number of suggestions the member opposite has made. I would expect the committee again would analyse those with respect to cost to government, and acceptability in international trade. Clearly the idea of value added processing and special funding for that is an important concept.

The idea of equity investment . . . I think Saskatchewan has had a history of favouring certain kinds of developments here. I appreciate the creative suggestion that has come forward from the co-operative movement with respect to the co-op-based land trust, where they propose equity investment in land, but in the control of the community in which the land is. Because I think the greatest . . . The greatest attachment most of us have, or a great attachment many of us have to our home places is the land on which we grew up. And to have that land within the control of ourselves in the community is extremely important.

There are a number of models that obviously can be used in the development of agriculture and the further development and sharing of capital and risk. The co-operative model is clearly one that needs to be approached with respect to taking advantage of modern

technologies. The development of the modern red meat sector can be quite expensive when one uses all the available technologies. Co-operative operations where a \$3 million operation might be shared by 10 or 20 farmers within a community is obviously a good model to be following with respect to sharing in capital and sharing in risk and sharing in labour.

There are some older ideas that possibly can be re-worked. I'm sure you're familiar with the Josh Storey's Agripark concept that he's been promoting for a number of years with Red Williams. The concept clearly has merit with respect to the . . . because of the high investment needed in intensive operations these days.

So I again thank the member opposite for his very positive suggestions. And we'll challenge the committee to set their scope very broadly and then to focus it in to make sure we get the most useful suggestions we can for the Saskatchewan industry.

(2215)

**Mr. Devine:** — Thank you, Mr. Minister. I'm just going to narrow it down a little bit. I just want you to think about not limiting the discussion. And I know you'll say, I want you to look at everything. But I want the committee to know that they can look at these things seriously. I mean it's just a committee to study it. And taxes are important. As you can imagine and you know — you've been in agriculture long enough — taxes can be important, very significant, and the instruments in which you tax it, how we do it, whether it's bonds or the various taxation systems with the feds. And it isn't just harmonization, it's a lot of other things. But not rule them out, look at them. Because you know it's important to the industry for a long, long time to come.

And believe me, as you probably know, other jurisdictions are looking at it closely and with the industry. I want you to be as definitive as you can here saying that you're not going to rule out looking at that. Now it may be difficult to do and you might not be able to do it, but if you would do it, I think it would give them a great deal of comfort — it would give me comfort — that well, we can look at this stuff. I mean you can do whatever you want with it once it comes to you. I mean you have the prerogative — but not to rule it out.

So they could say: well the bonds worked here. Here were the strengths and weaknesses of this particular system of taxation. Maybe there's other instruments. Here's how immigration could work with immigration funds and bonds and taxes and the feds. That's kind of interesting stuff, particularly when you're looking at the line of thought in interest. So can you just not rule it out. I mean you're not the Finance minister. He's here in another capacity, or he certainly has another capacity. But for this industry and for other industries, it's useful to examine all of those things, particularly in the international world that we're facing today, and it would be comforting to know that you wouldn't rule it out. That's the first thing.

The second point I would like to know . . . And it's something that you probably can't answer tonight but I

would think it would be worthwhile. You could be the first Minister of Agriculture to do it since the 1920s and you might like to do this — and I probably should have. And I throw this out to you.

The Standing Committee on Agriculture of this Legislative Assembly could perform a very useful role. Now it doesn't involve the ministers, but involves all parties, all parties, the members of the legislature; the government has the majority of the people on it. And you could pick your people and they could rotate and they could go to work on something like the livestock industry, or the competitiveness, or how could we best diversify agriculture, and really get into good discussions with academics and businesses, co-operatives, and people. And they could invite international people here, they could talk to people who'd been to Japan or been to Korea, or into the United States. We could have an on-going discussion that would really be relevant, keeping Saskatchewan competitive and aware and on top of being, you know, really, really right up front on all the potential we would have in the value added, competitive world here that is a gift to us.

So I guess I would like you to consider that. And certainly the House of Commons does it all the time. The Senate even does it, bless their hearts. Senator Sparrow's been on stuff. I think the MP Les Benjamin has been on standing committees on transportation.

I mean people do this. People do it. And certainly agriculture is relevant and topical, almost as topical as politics here in Saskatchewan. So you could have this committee working, holding hearings, travelling, doing whatever they do, on a very important topic — how does Saskatchewan stay up and ahead and on top of this great potential we have, because we've got the land base, we have the grain, we have some diversification. And if we start processing it, particularly into the livestock sector, it's a boon. It's positive.

Now that committee, I think, could be very useful in exploring all the ideas as this House would. Only it's a miniature of the House, really. It's three or four here, and a couple here and one there. And they'd say, well let's look at this and let's ask people questions. Haul in some international bankers and talk to people who are looking at the latest technology. And I think it could be quite useful, genuinely useful.

So one, would you be as clear as you could on not limiting what they might want to discuss in terms of looking at this industry and how we'd be competitive, particularly on tax and financial instruments. And it's a broad range.

And secondly, would you give some consideration or talk about it in cabinet or get back to us with the possibility of maybe having the Standing Committee on Agriculture of this legislature, that hasn't sat for decades, go to work. And you could involve your MLAs (Member of the Legislative Assembly) and you could involve who you like. And it's an all-party committee and you could work

year in and year out. Certainly you could work on this.

And I have some other suggestions that they could work on but this, I think, would be a good start and I think appreciated by your officials. I don't see the down side.

It's as cheap a research as you're going to get with people who really care because you've got agricultural people on both sides of the House. They could ask relevant questions. You're not going to pull the wool over their eyes, and they could have officials backing them up and it could be productive. You'd certainly maintain your awareness and your knowledge base in Saskatchewan, compared to other jurisdictions.

**Hon. Mr. Wiens:** — Again I thank the Leader of the Opposition for his comments. I expect the industry group will look at a number of things that the member opposite has suggested. I think from my discussions with the industry group, they want to evaluate the effectiveness — and it's one of the suggestions that we've made very broadly in terms of what the study might do — of existing government programs, that is what is the value of present involvements in equity instruments as you describe. What is the value of it quantitatively? What is the value of it in terms of what it does for the industry?

It's my sense that the industry wants to challenge itself to say if the present investment of government dollars in the industry annually is \$8 million, are we presently spending it in the way that best develops the industry? Is it best to spend it in the kinds of tools we are presently using or might we in fact create more growth and more stability in the industry by responding to suggestions like was made by Chris Crone at the Humboldt pork producers meeting the other day where he said, my facilities are 20 years old and I'm just getting my debt almost paid off and I need some reinvestment in this. If one handed over to the hog industry a certain amount of money, would they possibly recognize a special need for a young farmer in that circumstance?

Like what are the ways in which money is best spent? Or is it best spent in a health and production monitoring systems or in research? This is in fact the challenge; this is in fact the difficult struggle that the red meat sector has with itself.

When we spend money in a way that we today announced in an interim program in order to provide an equal opportunity for Saskatchewan red meat producers, while we examine the future of the industry, there are several millions of dollars that can't be spent through another mechanism. And they recognize the pull for those very scarce resources.

So clearly I have no interest in removing from the scope of the examination by the committee, elements that have a significant impact on the future of the industry. And I would be very much guided by their own judgement of what ought to be within the terms and the scope of the study.

With respect to the use of the Standing Committee on Agriculture, because it has not been used for some time apparently, I cannot comment on its history or its value. Clearly I believe in consultation. The involvement that outside groups have had with the developmental policy in our department since I've become the minister has

been significant. And my discipline in adhering to the recommendations that have come to me has also been quite strict. And I would intend to continue to respect the opinions of the industry when I ask them for their opinions. I want members opposite to be aware that there have been a number of avenues through which the kind of vision I believe the opposition is talking about is being worked at.

Clearly one of the avenues that we have not explored is the Standing Committee on Agriculture. But I know the new board for the ag development fund is looking at the vision for ag development, how you do that in the absence of looking at the vision for agriculture. The new board at ACS is looking at what the ACS board ought to be doing to best support the industry, and immediately it spills beyond the financial into the development of how to properly finance the desired goals of the industry into the future.

The department itself will be looking at a complete structural review of the department itself, will be looking at a complete structural review of the department quite quickly. In there, that same need to create a vision for the future and to set a direction becomes critical and when that . . . to blend that into the agenda of government overall, that same need to look at the whole world is there.

I've participated in some planning sessions with the university that have looked at it in exactly the same fashion, and here you're suggesting another avenue. And it's apparent to me that any additional contribution that can be made by people to the planning exercises can do nothing but give us a more positive future.

And I make no commitment to use the Standing Committee on Agriculture at the moment because I know not enough about it, but clearly all the avenues that are useful ought to be put in place in order to develop the best future for agriculture, which is central to the economy of the province.

**Mr. Devine:** — Well let me just make the observation — Saskatchewan tends to be a politically . . . and a partisan jurisdiction. Politics is, some call it the life-blood or the blood sport of Saskatchewan. I could put committees together and you could criticize them. You could put committees together and I could criticize them. And the public will criticize them and so forth.

Standing committees of this legislature are elected by the people, and to a certain extent they can rise above that and listen to people's views and how can you criticize an MLA that was elected; they were elected and they have the right to go listen.

And in the light of what generally your administration has been talking about, a co-operative attitude, which is probably a healthy thing to pursue because people often get tired of politics and tired of partisan stuff and say, well they're all the same. It doesn't matter the party, they all act the same. The other guy's evil and this guy's positive.

That's the light that I put forward the suggestion on the Standing Committee on Agriculture, because it could go

forward without political criticism because it's from this Legislative Assembly. And it could hold hearings and have academics in industry and so forth, and I mean obviously you'd want to talk to your colleagues about well, what does that cost the Legislative Assembly and so forth, which is fair enough; and we have other committees that are working. I think the Premier struck several committees now so it isn't that we haven't done committees.

So it's a genuine, sincere recommendation or that I would hope that you might consider so that in fact we could know that it was tending to be non-partisan. Because I believe the suggestions that you are getting and the response that you are coming up with in the livestock sector, and perhaps in some of these other areas that I've mentioned tonight, tends to be less partisan and tends to be more or less productive. So I mean, we'll fight our political battles and go out, you know, our plan is better than your plan, etc., etc., and vice versa. But for much of the work, they don't want any part of that. And I honestly believe . . . and while I didn't do it, I recommend that you seriously look at, and I would not criticize it. You wouldn't get criticism from this side of the House.

If you or the Premier or cabinet decided this ag committee . . . this is the biggest industry we have. I mean you have lots of credible reasons for looking at this. It's competitive. It's large. It's grain. It's processing. It's international. Let's put that committee to work. I don't see a down side frankly, and I've thought about it recently.

So again, to get over some of the hurdles that we faced, I would recommend that you at least take it back to your cabinet colleagues and give it some serious consideration. I know our House Leader, our Ag critics, and others would certainly look positively on it.

**Hon. Mr. Wiens:** — Well I want to say to the member opposite that I appreciate the co-operative tone of the remarks he's made tonight. I appreciate the recognition of the advantages of working together in the interest of an industry that's the most important industry in Saskatchewan and certainly an industry that makes a substantial contribution to the economy — not only in Saskatchewan, but of Canada.

I appreciate the suggestion with respect to the co-operative functioning of multi-party committees and certainly an idea that will be discussed in the future. And I believe the House Leader wants to send us home to our families here quite quickly, so I will thank you for the . . . and other members on your side for the very positive engagement we've participated in tonight and thank my officials for their participation as well.

The committee reported progress.

The Assembly adjourned at 10:32 p.m.