

EVENING SITTING

COMMITTEE OF THE WHOLE

The committee reported progress.

THIRD READINGS

Bill No. 40 — An Act to amend The Highway Traffic Act

Hon. Mr. Lingenfelter: — Mr. Speaker, I move the Bill now be read a third time and passed under its title.

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

COMMITTEE OF FINANCE

Hon. Mr. Wiens: — With leave, I'd like to introduce a guest.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Wiens: — Mr. Speaker, I'd like to introduce Sharon Armstrong, a long-time friend of mine, a teacher, and the mayor of Wynyard. Welcome to the Assembly. I ask other members to join in welcoming her.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

**Consolidated Fund Expenditure
Rural Development
Ordinary Expenditure — Vote 43**

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

Hon. Mr. Cunningham: — Mr. Chairman, I have with me today Bill Reader, who's the deputy minister; Ernie Anderson, the executive director of transportation; Walter Antonio, director of transportation and planning; Bob MacDonald, who's manager of the operations of Crown lands; and Larry Chaykowski, director of administration.

Item 1

Mr. Goohsen: — Thank you, Mr. Chairman. Mr. Minister, when last we tackled the Department of Rural Development we had gone into requesting some information from you. I wonder, if you have that information, if you could table it so that we could have it for our perusal tonight.

Hon. Mr. Cunningham: — Mr. Chairman, my officials inform me that we have sent everything that we were asked for. If there's something that's missing that we didn't send, if we could have a list of it we would do it. My understanding was that we had sent all the information that you'd asked for.

Mr. Goohsen: — This might be a dumb question, but where did you send it? I haven't seen it.

Hon. Mr. Cunningham: — Some of it came the night that you asked it, through here. You got that. And if there's some that you didn't get, if you would give me a list of the questions, we can have it for you in a few minutes if it got mislaid somewhere.

Mr. Goohsen: — Thank you, Mr. Minister. I will, in the course of the questions over the next few minutes, try to get one of my colleagues to assist me to deliver that to you.

We did have this complete list that you passed over of all of the grants that were paid out to rural municipalities from your department, and we had discussed in some length, the last time, the figures that it indicates and the fact that we had certain monies that were reduced to most municipalities and the average number of percentage points of the reductions.

My first question here, sir, would be: could you provide us with the detailed formula on how these grants are calculated and how those monies are . . . figures are arrived at for each municipality in the province of Saskatchewan? We would like to have the formula that is used.

Hon. Mr. Cunningham: — I have the formula here. Get a page to table these for us.

Mr. Goohsen: — Thank you, Mr. Minister. Now just to clarify this formula that you've handed us, is this the formula that is used to figure out all of the grant structures for all municipalities, irregardless of what they concern, for the whole year, every year, for rural municipalities, or are there some others?

Hon. Mr. Cunningham: — We have everything in there except possibly the re-gravel grants which we can get you here too, as well.

Mr. Goohsen: — Thank you, Mr. Minister. We would appreciate it if you would table those as well. Would you for the . . . Do you want a minute to look for that or shall I continue? Carry on? Okay.

I think for the purpose of understanding, could you explain to the general public how this formula works and what's entailed in it.

Hon. Mr. Cunningham: — Well, Mr. Chairman, to explain the grant, these grants were . . . the equalization grant was . . . it started in 1966. It's a grant that is intended to help the poorer municipalities, put them on a more equal footing with some of the wealthier ones. Rural municipalities with lower tax base and high expenditures would receive higher grants that municipalities considered to be wealthy. The base calculation assumes that all municipalities are providing the same level of service although this may not actually be the case.

The reasonable expenditures for a municipality to incur, which are considered in a formula, include the following

... So in other words they're looking at what normally municipalities would ... what services they would provide. It's administration, road construction, road maintenance, bridge construction and maintenance. The costs are the municipalities' share of the costs and do not include government grants.

Revenues which are included include the use of methods available for the municipality to directly raise funds, such as taxable assessment, grants in lieu of taxes, etc. So what they do is take what would be normal expenses for a municipality and what revenues that municipality would normally be able to raise. Using those, they calculate what's called a theoretical mill rate, which is what the RM (rural municipality) would have to use as a mill rate to raise the amount of money to do a sort of standard set of services that are mentioned above.

And the theoretical base mill rate, which any municipality has achieved before being eligible for an equalization grant, was set at 50 mills. So in other words, any RM that could raise enough taxes to provide a standard of services with a 50 mill tax rate would not get an equalization grant. And those that required more than 50 mills would then receive an equalization grant. And those grants are calculated on a yearly basis and change considerably from year to year, depending on the assessment of the RMs and so on.

Mr. Goohsen: — Are you saying, Mr. Minister, that a municipality then would be better off to set their mill rates higher in order to achieve a bigger grant from the government?

(1915)

Hon. Mr. Cunningham: — No, that's not the case. It would be ... the mill rate that I spoke of is a theoretical mill rate. It says, if this municipality wanted to provide the standard level of services with the assessment that it has, it would have to have a mill rate of 50 mills or 70 mills or 80 mills. That's what it would have to do to provide a level of service. And that's a measurement of how wealthy the RM is.

The actual mill rate that the municipality uses may vary depending on what services they actually do provide, whether they provide more than standard service or less than standard services, whether they have money in the bank or whether they have to borrow money, or whatever. That is a theoretical mill rate which says that this RM is not as wealthy as this RM, and therefore when we pay equalization grants, we will pay this RM a higher grant. And that's the basis of the equalization grant formula.

Mr. Goohsen: — But what you're saying is that you have a theoretical figure that you use to make discussion out of, but what you're really saying is that a municipality that has had bad administration, bad decision making by councils, has run itself into the red, has blown all its money, squandered it away, has a real high mill rate with no services, is by nature now with this formula going to end up getting bigger grants than a municipality that is prudent and puts money in the bank, saves dollars, has a low mill rate because they're efficient and taking care of

business the way it should be taken of.

Hon. Mr. Cunningham: — No, that's not the case. The grant is based on what it would cost the municipality to provide a reasonable level of service in their municipality. And if they do not provide that level of service with the money they get, that would be the problem of the municipality. This is strictly a measure of what resources that municipality has to get revenue from and what services it needs to provide in order to provide roads and so on for their municipality.

Mr. Goohsen: — Wouldn't it be better then to use the total assessment of the municipality rather than mill rate as the basis of your calculations?

Hon. Mr. Cunningham: — In calculating the theoretical mill rate, we use the actual assessment of the municipality. It's based on a year-old assessment, but it is based on their assessment. So if a municipality has a certain level of assessment, then we assume that they have that base to raise revenue from and theoretically we have a rate that they would have to raise on that ... mill rate they would have to use on that assessment in order to provide a standard level of service.

Mr. Goohsen: — Okay, Mr. Minister, the standard level of services has me concerned. What would you describe as the standard level of services for a municipality?

Hon. Mr. Cunningham: — This is based on a number of factors, the miles of road that the RM has to maintain and rebuild, the number of bridges in the RM, the number of miles that need gravel and those sorts of services.

Mr. Goohsen: — Who measures that?

Hon. Mr. Cunningham: — We have records of all the different miles of road and different classes of road that each RM has. We have a record of the number of bridges they have and so on.

Mr. Goohsen: — Who draws up those records and how do they draw them up?

Hon. Mr. Cunningham: — We do inventory of the municipalities. We have a record of approved roads that a minister has to approve when a road is put into a grid road system and so on. We do actual inventory of driving the roads to see what roads are in an RM.

Mr. Goohsen: — Okay you classify the roads into different classes then, backroads, primary grid, farm access, regular grid roads and those kinds of classifications. You determine that through consultation with the municipalities and then build those roads. And you keep a record of that. And by that designation, regardless of the quality of condition of the road, the grant is assessed on miles, not necessarily taking into account condition of the road?

Hon. Mr. Cunningham: — And on the equalization grants, that's right. It doesn't matter the condition of the roads. This is just a measure of the services that are needed. It gives them an unconditional grant. They can spend that grant in whatever way they like, whether they

want to spend it on roads, or administration, or whatever. And the road construction grants are based on actual roads that need to be built.

Mr. Goohsen: — I just took a second here to glance at these papers that you delivered me now. And it says on the front cover, unconditional revenue-sharing grants for rural municipalities. Are there also conditional grants?

Hon. Mr. Cunningham: — Yes there are.

Mr. Goohsen: — Is that formula also included in this brochure? Or is that a separate set of calculations? And if so, would you table that for us.

Hon. Mr. Cunningham: — Yes, you did get the sheet for conditional construction grants.

Mr. Goohsen: — That's included with this unconditional one? I'll just give you a minute to find that.

Hon. Mr. Cunningham: — This is on a sheet that says . . . has Department of Rural Development on top. Distribution of conditional revenue-sharing grants for construction, reconstruction, and oil servicing of designated . . . (inaudible) . . . should have been at the back of your package. This is our last copies, though.

Mr. Goohsen: — Thank you, Mr. Minister, I have now found that, and I appreciate getting that. Did you now have time to find that gravel formula to table?

Thank you, Mr. Minister. We will appreciate having a little time later to study through that and to perhaps ask you some other questions in detail on how those programs work.

Now we have several areas of concern, and I pause here because I'm not just sure how to go through this in an orderly fashion in order to derive the answers sort of in sequence rather than to sort of hop, skip all over. So I may miss and be hop-skipping, but I'll try my best to try to get into some of this in an orderly fashion.

With regards to the formulas, we've had people tell us from your department through the past eight months that rural municipalities were going to be reduced 7.4 per cent in the budget. And it turns out now that we have from you, the grants that were actually calculated and measured, and that came to 18.3 per cent.

Now we've heard some disturbing rumours, and because we've heard them we would like you to indicate to us how the department will be affected in terms of its relationship to giving out grants to municipalities in the future. And I do this in all sincerity, Mr. Minister, not to embarrass your department, but to try to prepare rural municipalities for what the reality might be.

And my question is this: if, for example, you were asking for a 30 per cent reduction in the costs of operating your department for the next minibudget, and if that were to translate into a \$6 million reduction in grants, my first question would be, which grants would that most likely be applied to? My second question would be, what percentage of reduction would municipalities expect on

that much of a reduction?

Hon. Mr. Cunningham: — Mr. Chairman, when we talked to the SARM (Saskatchewan Association of Rural Municipalities) and the rural municipalities last year, we were a little late getting our numbers out to them which makes it difficult for them to do budgeting. One of the things that we try to do as government is to give them a fair idea of what their grants are going to likely be like next year so that they will have some planning. The numbers that we gave as the most likely reduction in revenue sharing for next year is 3.3 per cent, and as of yet we don't know which grants that's most likely to come from. It's one of the things that we want to meet with SARM and some of the municipalities to get some feedback on before we finalize that in a budget.

Mr. Goohsen: — I appreciate your candour in that answer, Mr. Minister. I realize that you could have dodged that issue. And I think rural municipalities will appreciate having the opportunity to know that you at least are honest enough to put a figure on it, and that they can plan for some reduction. It will be a long time till February in terms of looking ahead, but in reality in life, February comes around awfully quick and it'll soon, of course, be here again, and faced at that particular time of the year . . . municipalities have to decide what their budgeting is pretty well going to be through that month. And it will be helpful for them to have that figure.

I hope that somehow you can get your government and your officials to be a little more accurate in this coming year than you were in the past. I am critical. I don't want to be overly critical, but it became somewhat of an embarrassment as well as a very real difficulty for a lot of municipalities to take a much larger reduction in their actual monies than what they were expecting to get. It meant having, in some cases, to employ less labour. That had an effect, not only on the ability to repair the roads this past summer, it also has the spin-off effect, of course, of increasing the unemployment problem in our province. Rural municipalities are quite big employers throughout the summer months, and I'm sure you're aware of that.

And so accuracy, while it is understandable couldn't be absolute or perfect probably this far ahead, surely we can be closer than 10 per cent out, and that is significant when you deal with municipalities that are looking at maybe 60 or 70 or \$80,000 worth of grants that are reduced by 10 per cent. Right away you've got the value of hiring one more employee for the summer involved in these transactions.

So it is important to be close on these things. And I could give you an example of a municipality that has one less employee this year and is struggling to match the budget. And while I can give you that one example absolutely because I am the reeve of that municipality, I can assure you that most likely what's happening to us would have to be happening to everybody else in the province because we're not really special. We're pretty average when it comes to the conditions that affect rural people in terms of municipalities and a lot of other things.

So thank you once again for giving us that information

and we will of course be passing that along to the people out in the country.

I won't dwell on this formula any further for now until I've had a chance to read through your papers. But I want to go on to the list of questions here that I prepared the other night and didn't finish because I would like to give you a chance to get us the sort of nuts and bolts types of things done with so that we can get into some of the other areas.

I had provided here that we would like to be provided with a list of all the space rented, leased, or owned by the department, and the purpose for which the space is being used at the present time.

Hon. Mr. Cunningham: — Mr. Chairman, I was under the understanding that that was in the package of material that we had passed over, but I have another copy here if . . .

(1930)

Mr. Goohsen: — Thank you, Mr. Minister. Unfortunately I don't know where that package went so I'm just going to run through these ones that I have noted, the ones that I read into *Hansard*, so you have a record in *Hansard* of the ones that I read through. The ones that I haven't read through, even though you may have a copy of this paper and have determined to put that together in a package, I haven't both received it, and the other point, that I haven't put that into the record so that it's available on *Hansard*. So I will continue to ask these questions, and hopefully we can get the package all together.

The next one is all the costs associated with each rental agreement or lease.

Hon. Mr. Cunningham: — The numbers that we sent over are the numbers that we pay to SPMC (Saskatchewan Property Management Corporation), who owns the property. It includes rent, rent on furniture, and some maintenance I assume. So what the SPMC actually pays to the lessees, we don't have that information.

Mr. Goohsen: — Which minister do I ask to find that information out when estimates come up?

Hon. Mr. Cunningham: — That's the minister responsible for SPMC, and I believe his estimates are already up. We can get a copy of that. I can endeavour to get that for you.

Mr. Goohsen: — Thank you, Mr. Minister. We'd like the operating and maintenance costs of all the space occupied by the departments, broken down by owners, lease, and rent space as well, while you're doing that.

Hon. Mr. Cunningham: — We will attempt to get that from SPMC.

Mr. Goohsen: — Thank you, Mr. Minister. We also would like the names of each principal leasing or renting space to the department.

Hon. Mr. Cunningham: — We will endeavour to get that as well.

Mr. Goohsen: — Just as we talk a little bit about the rentals, the thought crosses my mind, Mr. Minister, that your department was scheduled to be moved out in the Fair Share program last year. Were some buildings rented at that time in rural Saskatchewan that are still being rented at this particular time?

Hon. Mr. Cunningham: — We had leased one facility at Gull Lake. We have since relinquished that lease and are no longer paying it.

Mr. Goohsen: — Is that the only one in the province, Mr. Minister?

Hon. Mr. Cunningham: — That's correct.

Mr. Goohsen: — Thank you. We would like to have also listed all of the vehicles being paid for by the department either in maintenance costs or actual purchase deals, whether the vehicle is owned by the government or privately owned.

Hon. Mr. Cunningham: — What I'll do is I'll send over . . . We have a whole package of information that I thought that you had. We will send the whole package over. It's in here.

Mr. Goohsen: — Thank you, Mr. Minister. I appreciate getting this package. I can assure you just by looking at the first couple of sheets here that I haven't really seen anything like this before and so we are glad to have it.

Now my problem is, I don't know for sure what the package covers or what's in it. I obviously can't read it as I'm asking you questions and I obviously think it would be counter-productive if I were to leave the Assembly at this point and not ask you the questions. So for the record, perhaps, even though the answers are probably in this pile, perhaps you would like to respond to the questions so that the public can know that you are as familiar with this package as I'm going to be once I read it.

In that view, that we have to somehow get this on the record and give you an opportunity to show your expertise with your department, I would like to continue with the questions and allow you the opportunity to answer them for the public.

We would like an explanation why the vehicle, each one that I mentioned just earlier, is being paid for by the department. Perhaps you would like to elaborate a little bit on how things work.

Hon. Mr. Cunningham: — Mr. Chairman, the vehicles that are listed are all vehicles that are used by our field staff with the exception of one which the deputy minister has.

Mr. Goohsen: — Okay. Could you tell me why these vehicles are paid for by the department? For example, you just said that housing types of things and buildings are handled by SPMC. Why are vehicles handled in your department differently then?

Hon. Mr. Cunningham: — These are not vehicles that are owned by the department. They're vehicles that are

leased through CVA (central vehicle agency) for the department, so they are also owned and purchased by SPMC. But these are just a list of vehicles that our department leases from CVA.

Mr. Goohsen: — I've just been handed another package of material that I was working on earlier today, Mr. Minister, and my typist has just completed the typing on them so I now have them with me. Rather than skip to those right away, I think I might just as well finish what I'm doing here so that you can keep on this same trend for a few minutes.

The actual costs of the departmental expenditures in relation to each vehicle and the breakdown of those costs is what we'd be asking for. Could you give us a brief breakdown on that.

Hon. Mr. Cunningham: — Our charges are based on a per kilometre charge to CVA. We pay a basic rate of 22.6 cents a kilometre, and for some vehicles that have air conditioning and so on, another cent or so above that.

Mr. Goohsen: — That's close enough for my purposes tonight, Mr. Minister. Even though within a couple of cents might sound to some people like you're not giving a very accurate answer, I realize that the answer you gave is close enough for us to be fairly sure where things are going. And we will tie that down a bit more closely when we study your package. If it's in serious error, we'll let you know. And you can correct that at that time.

We would also like to know the employees' parking space paid by the department and the cost of individuals' names.

Hon. Mr. Cunningham: — We do not pay anything for parking space. Part of our charges for our buildings with our leases with SPMC include parking. But we do not have any parking charges as such.

Mr. Goohsen: — Thank you, Mr. Minister. We'd like to know the names and titles of persons authorized to use the vehicles individually, where a car is specifically assigned, and an aggregate list where no specific assignment is made.

Hon. Mr. Cunningham: — That's on the list that we have just passed over to you.

Mr. Goohsen: — Thank you, Mr. Minister. I will trust that you have that information in the package. We would also like provided a list of all of the advertising done by the department since November 1, 1991, including: production and distribution of direct mail, pamphlets, newsletters, prints, ads, broadcasting ads, speaking tours, public displays and exhibitions, promotional items such as pens and key chains, and media relations, and all other communications, vehicles, very particularly a list of all newspapers, internal and external, and the names of the persons responsible for these newspapers as well as the other information relating to all communications activities.

Hon. Mr. Cunningham: — The list that you asked for since November 1 is on schedule 6 of your package. It

includes an internal newsletter, traffic-safety pamphlet, some print advertisements on Crown lands lease posting, advertising in weekly newspapers for short-term permit custom farm operations or notices of extension meetings for courses, and some displays and exhibitions including one at Agribition for \$625, and Mexibition for \$435, and the Farm Progress Show for \$325.

Mr. Goohsen: — Thank you, Mr. Minister. The obvious question that the general public would be saying to themselves right now I think is would any of this advertising be misconstrued as political party advertising?

Hon. Mr. Cunningham: — I don't believe any of the advertising could be construed as political in any way. One fact that I might point out is that last year's expenditures for advertising was \$281,880. Our projected budget for this year is \$110,400.

Mr. Goohsen: — That sounds good to me, Mr. Minister. I'll go on with my next question. We'd like a breakdown of the cost of each communications activity referred above including the name of all non-government agencies or persons paid for the work and the nature of the work performed.

Hon. Mr. Cunningham: — We have nothing that was done outside the department since November 1.

Mr. Goohsen: — Thank you, Mr. Minister. And we'd like also, a breakdown of the internal cost associated with each communications activity including salaries.

Hon. Mr. Cunningham: — Those numbers are those . . . that information as well is in schedule 6. It tells who on the department worked on the in-house productions and lists the *Farm Light & Power* and *The Western Producer* and so on, where we booked advertising. So that is also in your schedule 6 document.

Mr. Goohsen: — Thank you, Mr. Minister. I now have three of my colleagues working on these lists, and they will be checking the correctness of them.

Next question we wanted to know about was a list for the work that was done externally, a copy of the invitation to tender and explanation for the final tender selection including whether or not the selected tender was the low bid.

Hon. Mr. Cunningham: — Mr. Chairman, as I've just pointed out, we didn't do any outside advertising or outside communication. It was all done in-house.

(1945)

Mr. Goohsen: — Thank you, Mr. Minister. Okay, if the estimates for this department do not have a communications vote . . . I don't know. I guess first of all I have to ask you, is there a communications vote?

Hon. Mr. Cunningham: — That information is on page 76 of the budget. It's the . . . that falls under item 10 which is personal services and other expenses which includes the 110,000 which I just gave you, plus telephones.

You'll notice in the vote, the vote for this year is a 100 . . . the total is 168,900. Last year was 584,000.

Mr. Goohsen: — Well, Mr. Minister, I would suggest that people who follow this for longer than I've been involved seem to hold some great store by the fact that these types of expenditures should be separated and that there should be a separate vote for each of these items. And because they haven't given me their reasoning for why that is, I'm just going to suggest to you that it seems important to those people. And I would hope that in the next budget that perhaps you would consider doing that for their benefit.

We would like you to provide a list of all the polls and opinion research conducted by the department since November 1, 1991.

Hon. Mr. Cunningham: — Mr. Chairman, I will take the member's suggestion under advisement. I think it is important that people know what governments are spending on advertisements and not in any way try to hide it in any form.

We have done no polling since November 1.

Mr. Goohsen: — We would like you to provide us with a list of all the trips paid for by the department since November 1, 1991, whether in the province or outside of the province.

Hon. Mr. Cunningham: — Mr. Chairman, we don't have a list of in-province travel. We're a field department; it would be impossible to keep . . . a list would be impossible to have within the province.

We do have a list of all the out-of-province travel and the names and positions and the cost of, and I will send that across.

Mr. Goohsen: — Thank you, Mr. Minister. Will that list contain the names of all the persons on trips, indicating which persons were for . . . by the department and which ones were not? Will it also include the breakdown of the costs of each trip by persons, including transportation, meals, accommodations, and any other costs? And will it also include the destinations, dates, and purposes of each trip? Will it also include the method of travel, the names of travel suppliers, names of hotels and other institutions, and provide accommodations? Will it provide us also with the results of each trip, including a copy of any tangible evidence showing a benefit to the taxpayers of Saskatchewan.

Hon. Mr. Cunningham: — Most of that information is on the sheet that we gave you. It includes the destination, the purpose of the conference, the name and their position and costs of the trip.

Mr. Goohsen: — Thank you, Mr. Minister. We have on May 23 to 26, 1991 here, Montreal ICURR (Intergovernmental Committee on Urban & Regional Research) Conference, Lloyd Talbot, executive director. What would that be all about, just as an example of the first one, to give people an idea of what you're talking

about.

Hon. Mr. Cunningham: — This trip was a conference of community planners. Mr. Talbot attended that conference and presented a paper and his costs were picked up. That's why it only cost \$87.64 to the trip for Montreal, because he presented a paper at the conference and had his costs picked up because of that.

Mr. Goohsen: — Now, Mr. Minister, I've taken a quick look at this paper and I see that every date on this is dated 1991, and the last one on the list is June, the last month. Now what I asked you for was to provide us with a list of all the trips paid for by the department since November 1, 1991, which indicates to me that none of those figures would be on this list that you just sent across, so maybe your folks over there grabbed the wrong list. Maybe you want to try again.

Hon. Mr. Cunningham: — We do not be able to seem to find that list but we will certainly get it to you as quickly as we can.

Mr. Goohsen: — Thank you, Mr. Minister. Perhaps you could, from your memory or the memory of your officials, give us an example of one or two situations so that the viewing public won't have the idea that you're simply trying to hide your activities and give them some idea of what types of trips are involved and where they go and what you do.

Hon. Mr. Cunningham: — We have kept out-of-province travel to a very minimum since November 1. We have had a bridge engineer go to a conference on bridges in Whitehorse. We've had some people who are on Transport Canada committees who attended some meetings. The deputy was in Edmonton for a conference. Personally, I've been out of province only once myself since November 1; that was to attend a ministers' meeting in Clear Lake just last week.

Mr. Goohsen: — Thank you, Mr. Minister. I can certainly understand that you would not have much time to get out of the province with the work that we've been keeping you at here in through the past summer. The name Whitehorse, I think you mentioned, is that correct? Nod your head.

Hon. Mr. Cunningham: — That's correct but it wasn't me. That was for a bridge engineer who went to a bridge conference.

Mr. Goohsen: — How many bridges does Saskatchewan build in the Whitehorse?

Hon. Mr. Cunningham: — We didn't go to Whitehorse to build bridges. We went there to learn how to build them in Saskatchewan.

Mr. Goohsen: — I suspected that, Mr. Minister, but in all fairness, couldn't you have a meeting like that in Regina? Why would you go to the Whitehorse?

Hon. Mr. Cunningham: — This is a conference that's held annually with all four western provinces and the territories, and it's alternated from year to year to the

different provinces and territories.

Mr. Goohsen: — Thank you, Mr. Minister. I'm quite sure that you're happy that you were able to answer that question so that the implication involved could be corrected.

We would like to know, Mr. Minister, can you tell the committee, and I will be asking this, I have written here as well, vote by vote, whether or not the department has spent any money in 1992-93 fiscal year that we are being asked to include in the 1991-92 fiscal year? And can you assure the committee that all of the monies being requested in the supplementary estimates and the main estimates that is attributed to the 1991-92 fiscal was actually used before March 31, 1991. And further, even if you choose to make the expenditures prior to March 31, assure us that the products, services, and obligations were actually and really received, consumed, delivered, or executed in the 1991-92 fiscal year.

Hon. Mr. Cunningham: — Mr. Chairman, the government's accounting policy allows payments made in April to be charged to the old fiscal year providing the goods are received and services are rendered by March 31. Since there's a lag between the date of goods received and services rendered and the receipt of invoice, this policy provides the standard 30 days to process payments related to the old fiscal year.

Mr. Goohsen: — I'm not sure if I got an assurance there or not, which was my first premise, that there would be an assurance. You've stated a policy. Whether or not that policy was followed, I suspect, is the thing that some people might dispute. Can you assure us that the policy that you just quoted from was in fact implemented?

Hon. Mr. Cunningham: — Mr. Chairman, the policy was indeed followed.

Mr. Goohsen: — Thank you, Mr. Minister. Mr. Minister, would you provide me with the list of the names, titles, and salaries of employees who were, since November 1, 1991 or are now or are budgeted to be, attending university or other educational institutions while in the employ of the department; the number of paid days off and non-paid days being provided to the employees as a consequence of their taking this further education; and where there are paid days off, the total value of those paid days for each listed employee; the individual cost of tuition; and all other itemized expenses associated with the education or training being paid by the department or any other part of government. Also list the names of the courses being taken by each listed employee and the institution providing the education, the purpose of the education, and the expected benefit to the taxpayer for paying those costs.

Hon. Mr. Cunningham: — We have in the department two people on education leave: Doug McNair and Brent Kirychuk. We pay them a portion of their salary to attend school. It's something like 25 per cent of their salary. The cost for Doug McNair is \$12,983; and the other, Mr. Kirychuk was \$19,837.

There are several other short courses and upgrading that

employees have done. There are no days off involved. The only cost to us is tuition fees: Marlene Dally, \$178; Ken Rider, \$325; Sharon Green, \$220; Ronald Kerr, \$286; and Larry Chaykowski, \$247.

This also is a schedule in the package that we sent over.

(2000)

Mr. Goohsen: — Thank you, Mr. Minister. Well I guess questions are worth asking. As a private citizen not having been involved with this process before, I never realized that in fact there were these kind of programs carried on by this department or any other, and I'm sure a lot of folks out in the rest of the province would be happy to know about how these things work.

Mr. Minister, out of then the information you are providing relating to the universities or other educational institutions, I would like a list of the names, titles, and salaries of all the employees who were, since November 1, 1991 or are now . . . or are, rather, budgeted to be engaged in any professional development program, course, or project, the number of days off, paid, non-paid, associated with the professional development, and the total value of paid days off for each listed employee, the cost of the courses and all other itemized expenses for each employee, any global costs associated with the professional development that cannot be specifically attributed to any one employee, the name of the courses, seminars, or professional development projects, the name of the vendors providing the professional development, and the purpose of the professional development and the expected benefits to the taxpayers where the professional development service is obtained by tender, and was the need for the service advertised?

Hon. Mr. Cunningham: — The list of our employees who will be taking courses through the Public Service Commission is in schedule 9. We have . . . I believe those are the . . . that's a complete list of people on education leave . . . or not on education leave, pardon me, but who are taking courses for the year.

Mr. Goohsen: — Perhaps I could be so bold as to ask you to read one example out so that the viewing public could also catch up to what we have in our package and they won't be aware of.

Hon. Mr. Cunningham: — Just as an example of some of the training and updating we do with our employees, we have somebody taking an instructor skills group leadership course. It's a three day course, cost of \$300. We have several people taking a course in Lotus 123, which is a computer course — it's a two-day course — at a cost of \$340, and so on.

Mr. Goohsen: — Thank you, Mr. Minister. Without providing personnel information . . . or personal information rather, provide the aggregate values of costs of dental benefits for department employees; and again without identifying individuals, provide a list of dental procedures paid for by the dental plan and the cost of those procedures to the government.

Hon. Mr. Cunningham: — Mr. Chairman, the department

does not pay for employee dental benefits specifically. The employees are covered by an insurance program, the premiums of which are paid for from the public employees dental plan which are paid for by the Public Employees Benefits Agency, the Department of Finance, on behalf of the employer. So the dental benefits are paid for out of payroll in Finance.

Mr. Goohsen: — Thank you, Mr. Minister. Is the department making payments into RRSPs (registered retirement savings plan) or trust funds on behalf of any individuals? And if so, name the individuals, their titles, salaries and benefits, the value of the RRSP contribution, the authority by which the payments are being made, the rationale for the payments, and the benefits expected for the taxpayers of such a payment.

Hon. Mr. Cunningham: — Mr. Chairman, the department is not paying into any RRSPs on behalf of individuals.

Mr. Goohsen: — Thank you, Mr. Minister. Perhaps you ought to look into doing that service for your employees. Even at the RM level, we contribute part of the employee's wages into an RRSP plan for him. It's his own wages, but it does greatly assist them in the bookkeeping end of it, and it provides them with a fund that they can't readily and easily spend from month to month. And that way they provide themselves with a retirement plan of their own that sort of gets done no matter what their other commitments are. So perhaps you ought to consider doing that for your people.

We would also like you to provide a list of all the persons, including yourself and your ministerial staff, who have credit cards for which the department is responsible, the amounts paid out to date on each credit card, the purpose of the credit cards, the name of the institution providing the credit cards, and the credit limit that applies to each card.

Hon. Mr. Cunningham: — Mr. Chairman, there are . . . there is only one card there, which is issued in the name of the deputy minister, which is used exclusively for booking air travel for department officials.

Mr. Goohsen: — Are there any limits?

Hon. Mr. Cunningham: — Mr. Chairman, we're not aware of what the limits are on the card. We can probably get that information.

Mr. Goohsen: — Have you provided us with the amounts paid out to date for this credit card?

Hon. Mr. Cunningham: — The only thing, as I said, that was charged was air travel. We don't have the number but we can certainly get that for you.

Mr. Goohsen: — I would appreciate that, Mr. Minister, because I'm sure that the folks would like to know how many airplanes have been chartered to fly over the drought areas of Saskatchewan to examine crop conditions, and that sort of thing. And so it might be nice if you would provide us with that information about the amount of limit on the card and the number of trips that have been booked on that particular card and all of those

other pertinent things that I've mentioned when I read this the first time. And you've heard it. And I'm going to take you at your word that you'll provide us with that information.

Would you also provide us a list of all the persons who have cellular phones for which the department is responsible; the supplier of the phone; whether the phone is rented, leased, or owned; the purpose the person has the phone; the breakdown of the cost associated with the phone since November 1, 1991, and the estimated cost for the phone in 1992-93, including rental and long-distance charges; the date the phone was first purchased, rented, or leased; and the name, title, and salary of the person being provided the phone, and that person's office location.

Hon. Mr. Cunningham: — Mr. Chairman, we have the schedule 10 which we can pass over to you. There are some of these phones that are now . . . because of the reorganization, belong to Ag and Food, but we have a list of them here of the ones that were in the department, and we'll pass that over.

You have that. I think it came in your package. It's schedule 10.

Mr. Goohsen: — Thank you, Mr. Minister. My colleague is going to check the package and see if it's there or not.

We'd also like you to provide a list of all the persons who have lap-top computers for which the department is responsible; the name of the supplier of the computer; whether the computer is rented, leased, or owned; the date of the computer was first purchased, rented, or leased; the cost associated with the computer, including any software that was purchased or leased for use on the computer; the purpose of person having the lap-top computer; whether or not there's a service contract associated with the computer, and if so, the name of the vendor and the cost of the contract; the name, title, and salary of the person being provided the lap-top computer and that person's office location.

Hon. Mr. Cunningham: — That information is in schedule 11 of your package.

Mr. Goohsen: — Thank you, Mr. Minister. I'll have my colleague check that out.

Reversing back to the last question, we have a supplemental to that question for you, Mr. Minister. We note that some people have more than one of these telephones . . . or computers, rather, we're on. Okay. We have the computer list. We have some people with more than one of these computers it looks like. In fact, I see the one name, one, two, three, four . . . four times here. Would that person have four different computers? And why would he have to have four of them?

Hon. Mr. Cunningham: — Mr. Chairman, in many cases these computers are shared and the manager or the head of the branch . . . in one instance, Terry Crowe, who is head of the branch, has the computers all in his name and then shares them amongst the workers who use them from time to time.

Mr. Goohsen: — I noticed that most of these computers are bought from WESTBRIDGE Computer Corporation and close to \$5,000 a piece at purchase price, with software being extra. Is that a reasonable cost to be paying for these type of computers, Mr. Minister?

Hon. Mr. Cunningham: — Considering that these computers were bought three or four years ago, I think you'd best direct that question to someone else.

Mr. Goohsen: — Thank you, Mr. Minister. Unfortunately you are the Minister of Rural Development, and the past minister of Rural Development is being unemployed by the electorate of the province, so I'm stuck with having to ask you. So irregardless of your answers, I'm going to still have to keep asking the questions from you because you're it. You're the whole ball game as far as this department is concerned, as far as I'm concerned.

So could you provide us with a list of fax machines for which the department is responsible; the location of the machines, indicating whether the machines are situated such that they are for general use or for the use of one individual; if for one individual, the names and titles of that individual; whether each machine is rented, leased, or owned; the name of the vendor; the date the machine was obtained; the break-down of the cost associated with the machine, including long-distance service contracts, leases, rentals, or purchase payments.

Hon. Mr. Cunningham: — We have fax machines at each of our rural service centres, and they are owned by the department. And we have that on schedule 12.

Mr. Goohsen: — Just off hand, do you know how many service centres we have?

Hon. Mr. Cunningham: — There are 52 rural service centres.

Mr. Goohsen: — Are you planning any closures of any of those?

Hon. Mr. Cunningham: — No, we are not.

Mr. Goohsen: — Thank you, Mr. Minister.

Could you provide us a list of the televisions, VCRs (video cassette recorder), camcorders, and other audio-visual equipment including the production equipment for which the department is responsible; the location of the equipment, indicating whether the equipment is situated such that it is for general use or for the use of one individual; if for one individual, the names and titles of that individual; whether each piece of equipment is rented, leased, or owned; the name of the vendor; the model name of the specific piece of equipment; the date the equipment was obtained; a break-down of costs associated with the equipment including service contracts and leases, rentals, or purchase payments; and the specific purpose for which the equipment was obtained.

(2015)

Hon. Mr. Cunningham: — We have that on schedule 13. Again, service centres all have a TV and a VCR which is there for use of farmers and customers who come in. And there are some cameras and tape recorders and so on. It's all on schedule 13.

Mr. Goohsen: — Thank you, Mr. Minister. I always wondered where that stuff came from, and now we're starting to find out.

Could you provide us a list of all the verbal or written contracts involving a value of 5,000 or more to which the department is party regarding employment, products, or service, but which are not covered by the Crown employment contracts Act; if the contract is not bound by confidentiality provisions, a true copy of the contract; if the contract is covered by confidential provisions, provide details of those provisions and to the extent the provisions allow, the names of the parties to the contract, the purpose of the contracts, all costs associated with the contract. Was the contract obtained by tender? And was the need of the service or the contract advertised?

Hon. Mr. Cunningham: — That information is in schedule 14. I might add that there are no personal services contracts, and most of these contracts are computer-related contracts. But that information is all in schedule 14.

Mr. Goohsen: — Thank you, Mr. Minister. Just so the folks who are watching us for entertainment won't miss anything, Milwaukee is ahead 8 to 3.

Could you provide us, Mr. Minister, a list of all the subscriptions to magazines, journals, newspapers, periodicals, newspapers paid for by the department, including the names of the periodical, the cost of the subscriptions, the person or specific office receiving the subscription, the purpose of the subscription, and the disposition of the periodical after use, i.e., is it simply discarded? If it is discarded, the member can suggest that if the subscription cannot be terminated to save money, at least the magazine can be offered to a library to add to their collection.

Hon. Mr. Cunningham: — That information is in schedule 15. We do have a library where we keep magazines. We have subscriptions to such racy stuff as the news . . . the *Leader-Post* and *Management Memos and Gazette* and *Business Week* and bits and pieces, and those sorts of things come to some of our rural service centres.

Mr. Goohsen: — Thank you, Mr. Minister. I'm sure that the people of the province will be happy to know that that money is being spent on timely issues that to some extent are being saved and going to libraries.

Is the coaching for results program still active in the department? If so, that program had provisions for retroactive salary increases based on a performance review. Provide a list of employees who received such salary increases in fiscal 1991-92 and those that received such increases since the beginning of fiscal 1992-93, including the size of increases in percentage and the actual dollar terms, what proportion of employees did not

receive a coaching-for-results increase in '91-92 or to date since '92-93?

Hon. Mr. Cunningham: — The coaching for results program is actively used across the government departments with all non-unionized departments. In '91-92 pay increases ranged from 4 to 8 per cent. There were no pay increases in '92-93.

Mr. Goohsen: — Thank you, Mr. Minister. Could you provide us a list of all the employees that have been reclassified since November 1, 1991, 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 each reclassification, the reason for each reclassification, the date the employee was originally employed anywhere in the Government of Saskatchewan, and the date of each reclassification.

Hon. Mr. Cunningham: — Mr. Chairman, we had the list of reclassifications as Maggie Neal was classified from a CT 2 to a CT 3; Brent Kirychuk was reclassified from Agrologist 1 to Agrologist 2; Joan Corneil was classified from an ICC 2 to an ICC 3; Walter Gregor is likewise; Todd Jorgenson, Agrologist 1 to Agrologist 2; and the reasons were additional experience and additional educational requirements that they met.

Mr. Goohsen: — Thank you, Mr. Minister. Could you provide us the total cost to the department of all the 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. Break down the totals by category, the reason for the days off.

Hon. Mr. Cunningham: — That is in your package as schedule 16 as sick leave and that information is in there.

Mr. Goohsen: — Would you like to give one or two examples so that the people know what you're talking about?

Hon. Mr. Cunningham: — Just without giving names, I can just go through, start down the list of some that . . . They range from zero days off, sick days used, to up as high as 32. But just as an example down the list it's one and a half, half a day, eight days, eleven days, zero days, four and a half days, eight days, ten days, two and a half days, zero days, and so on. That's the list of all the employees.

Mr. Goohsen: — Thank you, Mr. Minister, I'm sure that a figure like 32 will raise some questions later on. We'll come back to that though after we've had a chance to study it to see if there's any appearance of a need to question that in more detail.

We'd like to know, what was the total long-distance telephone bill for the department for 1991-92 and the projected long-distance bill for '92-93?

Hon. Mr. Cunningham: — Saskatchewan Rural Development's long-distance expenses in '91-92 were

\$400,184. The '92-93 budget amount is \$411,922.

Mr. Goohsen: — When you made that estimate in your department, Mr. Minister, did you do it on the basis of some kind of a cost-reduction formula that you applied to the whole department or did you come up with this magical figure from some other way?

Hon. Mr. Cunningham: — The way we came up with that figure was we asked each of the rural service centres to project how well they could do and we added the numbers together, and that's where we got the magic number from.

Mr. Goohsen: — Mr. Minister, when you asked them that question, did you also footnote it with, if you don't come in with a certain kind of percentage of discount we will somehow arrange for you to find discounts in your department?

Hon. Mr. Cunningham: — No, we did not.

Mr. Goohsen: — Mr. Minister, I think there are some in this province that might quarrel with you on that issue and we'll take it up also later.

Could you provide a complete list of all the 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, 1991, and the estimated cost for 1992-93, the distribution list for the clippings or media reports?

Who gets the service, the minister's office or 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 of the service advertised? If the government also or instead provides such service internally, detail the internal costs associated with providing the service, including the salaries of the employees providing the service as well as the distribution list and the source and subjects be monitored with the internal resources.

Hon. Mr. Cunningham: — Mr. Chairman, Saskatchewan Rural Development has not engaged the use of external media-monitoring services since November 1. Internal newspaper-clipping services consumes approximately two days per month of support staff time which costs approximately \$250 per month.

Mr. Goohsen: — Thank you, Mr. Minister. Does the department pay for any free-lance or contract writers, including speech writers? And if so, name the persons being paid to provide this service, the cost, copies of any contracts, and the purpose of obtaining the service 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. Were the services obtained by tender? Was the need for the service advertised?

Hon. Mr. Cunningham: — Mr. Chairman, no free-lance or contract writers have been hired since November 1,

1991.

Mr. Goohsen: — Thank you, Mr. Minister. Could you provide us a list of travel agencies the department does business with, the names of the owners of the agencies, the value of the business done with the agencies since November 1, 1991, the basis on which the agency was selected, and whether or not there is any contractual obligation on the department's part to use the agency.

Hon. Mr. Cunningham: — Mr. Chairman, Saskatchewan Rural Development does business with National's Wideworld Travel agency. The value of the flights booked since November 1 is \$2,340.58. We have no contractual obligations. Incidentally, that number is the answer to the question that you asked earlier about the credit cards. That would be the amount that was used on the deputy's credit card to book air flights, and that's the only number that would appear on that credit card.

Mr. Goohsen: — Thank you, Mr. Minister. You're going to blow my whole evening here if you keep answering two questions at once when I only ask one. I'll run out of questions after a while.

Okay, I would like a list of all the 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 the date it was created; the name, title, and salaries, and expenses paid of committee members; and if staffed, similar information for committee staff; the purpose of the committee, including the terms of reference and the expected completion date; the establishing authority; all other costs of the committee; and finally how committee members were appointed, whether there was any kind of advertising or public involvement in the committee's creation and appointments; any boards, commissions, agency members terminated or replaced.

Hon. Mr. Cunningham: — That information is on schedule 17 and 18.

Mr. Goohsen: — Could you give us a couple of examples, again for the purposes of those people that might be watching tonight, to give them an idea of what we're talking about.

(2030)

Hon. Mr. Cunningham: — Just as an example of some of the officials and committees they sit on, Walter Antonio, who's here tonight, sits on the municipal potash tax-sharing administration board, sits on the Technical and Research Committee Council on Uniform Traffic Control Devices for Canada, Roads and Transportation Association of Canada, sits on the Sask Safety Council, on the Saskatchewan Transportation Centre studies steering committee, on Crow benefit alternative studies steering committee, and on the Saskatoon regional rural highway planning studies steering committee.

Some of the agencies, boards, and commissions that Saskatchewan Rural Development is responsible for is the Lands Appeals Board, Saskatchewan Hutterite Liaison

Committee, rural Board of Examiners, municipal potash tax-sharing, minister's advisory committee on development and diversification, Saskatchewan advisory council on agricultural extension services and regional councils, Abandoned railways Right of Ways Committee, and agriculture development diversification boards.

Mr. Goohsen: — Thank you, Mr. Minister. That list in itself is going to probably require some examination and some extensive questions, but I'm not going to go into that right now because I want to finish what we're working on. And then we'll come back to that later, if you don't mind. For clarity, could you provide the same information requested in the last question for all the committees, boards, commissions, agencies, or other bodies that are separate from but responsible to the department or to the minister in his or her capacity and his portfolio.

Hon. Mr. Cunningham: — That information is schedule 18.

Mr. Goohsen: — Thank you, Mr. Minister. We'll study that a little later. In each vote where it states other expenses, please provide the complete break-down of what those other expenses are. The title provided no information at all, and the committee cannot be asked to approve money for purposes which it cannot distinguish.

Hon. Mr. Cunningham: — It will just take us a second to pull that information together, if you want to carry on.

Mr. Goohsen: — Okay, I'll just make a note here — to come. Okay, could you provide us a list of all the fees, charges, and levies that SPMC makes, whether on other government departments or agencies, individuals, employees, or other organizations. I want a list of everything that you make, charge for, how much the charges are, and what the expected revenue is from those charges.

Hon. Mr. Cunningham: — We don't have that information in one package. We'll have to put that together for you.

Mr. Goohsen: — When could you provide us with that information?

Hon. Mr. Cunningham: — We can have it tomorrow.

Mr. Goohsen: — Thank you, Mr. Minister. We'll make note of that as well, then.

There are numerous references to the estimates being changed to reflect changes in the organization of the department and other changes regarding accommodations. Please provide the details for those changes. Include what pieces the department has lost or gained, employees that have transferred in or out, from and to where. As well, please be very specific about the changes in regard to accommodations.

Hon. Mr. Cunningham: — The member should have, in the material we gave him, the document that says, public service position deletions. These are the . . . I have a list of the votes and the pieces of the department that were transferred to Ag and Food. There were 73 employees that

were transferred from the department to the Department of Agriculture and Food. We don't have a list of those people here, but those are the people that were moved out of the department.

Mr. Goohsen: — Perhaps you could get that list and deliver it tomorrow with the other material.

Hon. Mr. Cunningham: — We can do that.

Mr. Goohsen: — Never even had time to sit down. Thank you, Mr. Minister. We will look forward to receiving that material.

Every department has policy and procedure manuals. For example, I think all departments have a human resources manual that spells out how prospective employees are to be interviewed, on what basis they are judged, and how successful candidates are to be selected. It also includes policies and procedures on discipline, promotion, use of departmental equipment and vehicles, and so on.

I want a copy of all such manuals used in the department, if you could provide them for us, Mr. Minister.

Hon. Mr. Cunningham: — Mr. Chairman, perhaps it would be helpful if the member could clarify his request somewhat. We have, as my officials tell me, a very large volume of manuals, some of which are manuals, lands policy and transportation policy and so on, some of which are common across government — PSC (Public Service Commission) manuals, the human resource referred to — which are common across the piece.

We can provide all of these manuals, although we may have to take some time because it will require some duplication of some of these manuals and if you could be more specific I think it would be helpful providing which manuals you want.

Mr. Goohsen: — How long would it take you to provide all of them, Mr. Minister? Perhaps I might have the time.

Hon. Mr. Cunningham: — We certainly can provide them. It may take us a day or two to get them all duplicated and put together, but we can provide those.

Mr. Goohsen: — That time frame would be acceptable on these issues. I'll just make note that it will take a little longer here. Okay. Thank you, Mr. Minister. We'll look forward to getting that material as well.

Is the department currently engaged in any legal actions? If so, provide me with a list of all the legal actions to which the department is party, including the nature of the action, the lawyers representing the government, a detailed break-down of the costs to date and projected costs, including any contingent liabilities and any background details that cannot be legitimately classed as confidential.

Hon. Mr. Cunningham: — The only legal involvement we have, or the only legal case we're involved in at the moment, is the Silver Lake farms. We are using Justice lawyers in that case. I have the break-down of other expenses that the member asked for. I'll send those across

now.

Mr. Goohsen: — Mr. Minister, when you indicate that you only have one legal case, that would be, I presume, an overall case of the department or something to that effect. It wouldn't necessarily be all of the legal cases that you would be handling in each individual department. For example . . . I'm not quite sure. Maybe I'm out of your jurisdiction in this ministry. But is ACS under Rural Development or is it under Crop Insurance or . . . (inaudible interjection) . . . Okay.

Hon. Mr. Cunningham: — ACS is a Crown corporation and it's . . . the Minister of Agriculture is responsible for that particular corporation.

Mr. Goohsen: — Okay. Thank you, Mr. Minister. I was thinking that some other branches under your jurisdiction might have legal actions going on that wouldn't be classified as in general terms from the department, but be more specific to something in a specific department. For example, if I were talking about Agriculture, I would say to you then, are there legal actions in ACS (Agricultural Credit Corporation of Saskatchewan) that are also covered in your answer?

So what I'm saying to you is: are there any other branches of your department that might have legal actions that you wouldn't have necessarily felt required to answer that question about in my last question?

Hon. Mr. Cunningham: — No, we don't have, to my knowledge, any other branches or Crowns that are responsible to this department or through it that would have legal action.

Mr. Goohsen: — Would that also qualify for lands branch, Mr. Minister?

Hon. Mr. Cunningham: — Yes. To the best of my knowledge, we have no legal actions in lands branch.

Mr. Goohsen: — Just a footnote to that. If you were to find out that that weren't right, I would hope that you would pass that information on to us, and . . . Go ahead.

Hon. Mr. Cunningham: — Certainly. We will do that.

Mr. Goohsen: — Now could you provide us with a list of all the fees and charges the department levies for services or products, whether those fees or charges are levied on members of the public, outside organizations, other parts of government, internal parts of the department or employees; include the names of the fees or charge, the amount of the fee or charge over the past 10 years, the total collected to date, and the projected to be collected in this fiscal year?

Hon. Mr. Cunningham: — We can get that together tomorrow. We don't have it in one place in our records here.

Mr. Goohsen: — Thank you, Mr. Minister. I'll make note of that along with the other things that you're to deliver tomorrow, and we'll look forward to receiving that information then.

Mr. Minister, I have many other questions that I'd prepared at my desk, but I also want to have a few minutes to go through these other things that you sent over. So I'm going to allow my colleague — the member from Arm River — to ask a few of the questions that he has wanted to ask you. So I want to thank you for the time being for your assistance in answering the questions and I'll return to you a little later.

(2045)

Mr. Muirhead: — Thank you, Mr. Chairman. We've now been on estimates for an hour and three-quarters, and just a little advice to you, Mr. Minister.

I don't know whether it's your department's fault or your fault or your office or maybe nobody's, but yesterday I was the critic for Social Services and we did it, a big corporation, in two hours, because all the information was to my office two or three weeks ago and our staff and myself had a chance to go through it all. And so that's where we've been about an hour and a half going through all this material. So advice to a new minister for another year would be to have all that information.

Now I understand there was a little mix-up there in the start, that you thought it had gone. But I would suggest that if we want to save a lot of time, that that material should be in the hands of the critic. Because that's the suggestion that's worked very well that the member from Churchill Downs, which I am critic for SPMC and Public Service Commission . . . We got into an impasse here for several days getting no place until finally we come up with an agreement and it worked well because somehow or other it was stopped for two or three weeks.

So I give a list of all the questions and then that was the same kind of questions more or less that went to all departments. So it worked very well. And some of the ministers have been getting them information supplied to our office way in advance and it gives us a chance to go through it. It's not really fair to the critic to have to look at it tonight and then come up with questions.

Anyway, Mr. Chairman, Mr. Minister, my questions right now will be . . . I'm going to be talking about lands branch. I'd like to know, Mr. Minister, how many lease cancellations did you send out under section 20, notices last winter prior to seeding?

Hon. Mr. Cunningham: — Mr. Chairman, we again don't have that exact number. We can get it. I think the number is approximately 1,100 notices of intention were sent out. No cancellations were done.

Mr. Muirhead: — Were those total cancellations sent out to farmers or the ones that went to the Farm Debt Review Board? That's the section 20 notices I'm talking about. Because I understand last . . . we asked you in question period here one day and you didn't know the number and I thought for sure that you would make sure that you knew the number for your estimates. Because it was like several hundred notices if my memory serves me correctly. It was around 700 prior to seeding at the Farm Debt Review Board.

Hon. Mr. Cunningham: — My officials, without having the number here, from memory are suggesting the number at 273.

Mr. Muirhead: — Mr. Chairman, Mr. Minister, would you . . . I don't need that tonight because you . . . that's the approximate figure that I understood, or approximately 1,100 notices went out. Whether it went out directly or through Farm Debt Review Board, but I would like you to get me the information because I was told from Dean Vaive from Farm Debt Review Board. That's when we asked you in question period, that it was 700 in about a two or three week period. But anyway, I just want that information. It's not an important thing because we agree on approximately that 1,100.

And you're saying . . . are you saying, Mr. Minister, so I got it on the record for sure, you're saying there was no lease cancellations last spring?

Hon. Mr. Cunningham: — No leases were cancelled for rental arrears. There may have been a couple cancelled for non-use or that sort of thing where people were not using land, but none were cancelled because of arrears.

Mr. Muirhead: — Thank you, Mr. Minister. How many acres of land under the control of lands branch?

Hon. Mr. Cunningham: — Approximately 8.7 million acres.

Mr. Muirhead: — How many of these acres are leased by individuals, companies, or corporations, whoever would have a use for farm use?

Hon. Mr. Cunningham: — Almost the entire acreage is used for either grazing or cultivated use. So it's almost entirely used for agricultural use except for some small parcels of specialty leases or so on.

Mr. Muirhead: — So they don't have, Mr. Chairman, Mr. Minister, lands branch don't have a lot of waste land. That's probably owned by parks then; it's not . . . lands branch don't have any then, I understand. Thank you.

Now you have these 1,100 leases that are out there. What is your policy going to be for collections of the past-due rentals or leases? What's your policy going to be because this can't go on for ever.

Hon. Mr. Cunningham: — Presently we're reviewing our policies on leases and collection of those fees. The reason there were no cancellations is that the department felt, although the agreement that we had with lending institutions this winter did not apply to lease land but only to foreclosures, we felt that to be within the spirit of the agreement of attempting to keep farmers on the land, that we would not cancel any leases until we had reviewed the policy. And we are currently reviewing that policy now. And we'll hopefully keep as many of these farmers on the land as we possibly can.

Mr. Muirhead: — Mr. Chairman, Mr. Minister, let's just use for example that . . . You said some land was abandoned, or there is always somebody that could

naturally be leaving the land, and they're going broke, and they're through, or whatever, and just let the land go. Let's just use a hypothetical statement here for now then that there is leased land ends up back in the department's hands. What would your policy be with that land once it's in your name again and nobody has it?

Hon. Mr. Cunningham: — As I said, Mr. Chairman, we're reviewing that policy. If there's grazing land that comes up for . . . the lease is surrendered on, we will be put out again to be leased for 33 years on our lease policy, on our system that we have to have an open tender and a point system, whereby we would award the lease to another farmer. Most of the agricultural land that we are . . . if the lease is surrendered, we are tendering it for short-term use, depending on our review of land policy.

Mr. Muirhead: — Am I understanding you to say, Mr. Minister, that perhaps you won't be putting that land up for sale, that you'll go back to the old policy that we defeated in 1982, that the government not own the land. Because now the policy of the past government is to try to sell this land and get it into the hands of the farmers if possible. And we know that things have been not . . . The economy's not been good in the last years. But still, what is your policy going to be, to sell as much as possible, or to go back to the old policy where the government's going to own and lease all the land?

Hon. Mr. Cunningham: — Any of our Rural Development land is for sale at the present time for cash sale, except for some that is under critical wildlife restriction or some such thing. We are not proceeding with the rent-to-own purchase program that was in effect. We're reviewing that program to determine whether it's suitable or not. We have no intention of freezing or stopping sales on Crown land.

Mr. Muirhead: — Are you saying, Mr. Minister, that the lease-to-own program that was introduced by the past government — and there was definitely some contracts; I'm quite sure that people entered into contracts with the lease-to-own — have you cancelled that just like they did the natural gas program and they cancelled other contracts? Or are those contracts still being honoured, Mr. Minister?

Hon. Mr. Cunningham: — Those contracts are being honoured. We haven't cancelled anybody's contract. What we did do was, people who had applied to purchase land under the lease-to-own program, if they had the appraisal done, if they had put out money for an appraisal fee, we continued with the sales. Those that were not in progress to that stage were frozen pending review of the program.

Mr. Muirhead: — Mr. Minister, could I get you to repeat that again? You said . . . Could you repeat that last statement? I didn't quite pick it up.

Hon. Mr. Cunningham: — What I said was that we did not cancel any of the contracts. We honoured anybody that had a contract on lease-to-own, and there are a number of them out there making their lease payments. We're honouring the contracts. What I said was that anybody who had been in progress . . . The way we

measured that the sale had begun and that progress had begun was if there was an appraisal done or money put out. If the farmer, lessee, had put out money for an appraisal fee, we felt that that was a sale that was already in progress and therefore we completed them. Anybody who did not have progress to that point, the rest of the land, rent-to-own, was frozen.

Mr. Muirhead: — Mr. Chairman, Mr. Minister, but you are saying you're looking at a policy . . . Can you give us any idea at all what you're looking at for land that comes back, owned by the government? Are you going to favour . . . What are you yourself, Mr. Minister — never mind what the policy ends up being — what do you yourself believe? That it should go back in favour of lease or purchase? What do you believe in?

Do you believe in the old NDP (New Democratic Party) policy that the government's got to own all the land? Never mind with the new policy. I ask you, Mr. Minister, would you like to see your department that you're the minister of, would you like to see it favour . . . I know it'd be maybe impossible to sell all the land but would you like to encourage the sale of land or encourage the leases on the land?

Hon. Mr. Cunningham: — Mr. Chairman, I don't believe it was ever NDP policy to own all the land. Even the land bank program had a provision in it whereby farmers could buy the land after five years. We've always had a sales program for Crown land. I think that depends on the individual farmers. If they prefer to rent the land, which many of them do, I think that's quite acceptable. We have no great philosophical reason for not selling the land. We are, as I said, reviewing the policy. We're getting input; we have meetings going on this week. Last week we were out in the country talking to farmers about our land policy and our land-use policy. When we get the input from the farmers, we'll put it together and we will make some judgements on our policy and we will come up with a land-use policy which is comprehensive for, not only the land that's in Rural Development, but the land that's held in parks and other Crown land and decide what's the best land-use strategy for the province.

Mr. Muirhead: — Well, Mr. Minister, if you're out and anybody in your department's out talking to people and getting their ideas, you'll be the first department in government that's doing it because that's where you've been failing. There's hardly a program that you've been out asking the people.

You've been coming in here . . . and I'm hoping this department will be different. I'm hoping that you, Mr. Minister, will be different because this is my first debate with you since . . . other than the odd question in question period. But I'm asking you as an individual, what do you prefer, if the government could lease this land or sell as much of it back to the farmers as possible? Never mind what the farmers are saying. I want to know what you, Mr. Minister, believe yourself.

(2100)

Hon. Mr. Cunningham: — Well, Mr. Chairman, if I'm going to consult with the farmers and get some public

opinion and make a decision based on that consultation, I think I should do that and not impose what I think, as an individual, on the farmers of Saskatchewan.

Mr. Muirhead: — Mr. Minister, you just formed a government about nine months ago, and anything else this government thinks, they tell the people, this is what we think. You're the part of the government that said at election time that we're going to balance the budget, lower the taxes, create jobs, and save all the farmers. I mean, you made policy. You said there'd be no more increases in all the different . . . like SaskPower, SaskEnergy, SaskTel, all the essential services. You were part of that. You made policy.

Now you stand here, Mr. Minister, and say, oh I don't want to say what I really believe on this because I want to wait to see what the farmers think. You've got your right to say that, but I still say, Mr. Minister, that if you got any backbone whatsoever, you should let the people at least know what you think.

I'd have no problem if I was a minister saying, this is what I believe; this is my philosophy. I believe in the government owning the land and leasing it out, or I believe in the government . . . Take your stand because the people will follow you if you take your stand or else throw you out. But if you're afraid to make a stand, you're not going any place with your meetings. You've got to make a stand, Mr. Minister, what you believe in.

Well I want you to answer me that question, as an individual. We have that right to ask the minister, what is your view on that? Do you believe in government owning the land or leasing the land?

Hon. Mr. Cunningham: — Well, Mr. Chairman, we've had a combination of Crown land and private land in the province for the last 100 years.

And I think I have no philosophical reason to oppose that position where both can exist. And I think I have certainly no desire to see government take over any large portions of land. I think if a government can help farmers and keep farmers on the land by maintaining ownership of some Crown land, I think that's a very good decision. And I think I don't have a philosophical bent that says one is good and one is bad, and therefore come hell or high water we're going to do all of one and all the other. I think we need a logical approach and I think that's what we will have with this government.

We're reviewing our land policy. As you know, the Minister of Rural Development doesn't make policy alone. It depends on consultation with the people and also consultation with the caucus, and the decision of government after consulting with people to get their input in making the decision which is best for the province of Saskatchewan.

Mr. Muirhead: — Thank you, Mr. Minister. I appreciate that statement. You said mildly in there that you would . . . well you did say that you would like to see as many farmers own their land as possible. And I understand under tough times that that maybe isn't all probable right now. But okay, I appreciate that answer, Mr. Minister.

Now we did touch on this a little bit before here, but I think there's two policies. It was the policy that you could just out and buy the land out . . . If you were a lessee, you could buy the land from . . . get it appraised and buy your leased land. But they had this policy where you could go on the rental basis. Is that the one you say you put the hold on, the one that's on the lease to own?

Hon. Mr. Cunningham: — That was the policy that we put the hold on, yes. It was called rent-to-own program.

Mr. Muirhead: — Now if the lessee is in good standing and he comes in and asks an appraiser to go and assess that land, and willing to write a cheque for it and pay for it, is that land for sale for him?

Hon. Mr. Cunningham: — Yes it is.

Mr. Muirhead: — Thank you, Mr. Minister. How would you go about appraising that land? Who would appraise that land?

Hon. Mr. Cunningham: — The lessee has a choice of having us in the department do the appraisal or having a private appraisal and accredited appraiser to value the land.

Mr. Muirhead: — Mr. Minister, does the department have appraisers working for them full time now, or do they just hire them from the work place? Do they have appraisers on the payroll?

Hon. Mr. Cunningham: — The people who do the appraisal for the department would be land agrologists that are on staff.

Mr. Muirhead: — I don't know whether you'd remember, Mr. Minister, that back when we took over government in '82 and we were trying to sell land as quickly as we could, we advertised that we would sell land. And advertised land was put out by the dozens of quarters all over Saskatchewan for sale, and there was a policy paper sent out to every lessee that that land was for sale. But the department would send out their appraisers, and it seemed to always come in too high, and it seemed to be always . . . not always — but mostly it was too high. So the policy of the past government was to have no more appraisers from the government at all. They hired a farmer and the government together or the department together would pay for . . . I know that policy changed two or three times — but to get outside appraisers completely. So I was under the understanding that there was no real accredited appraisers. You're just saying that these are agrologists.

My question was: do you have any accredited appraisers that under that association — Saskatchewan — appraise this land or just your agrologists, so I get that straight.

Hon. Mr. Cunningham: — The land agrologists are not accredited appraisers, at least I don't believe any we have on staff are accredited appraisers, but that is who does the land evaluation if we do it in the department. If a farmer or lessee is not satisfied with that, they have the option of hiring an accredited appraiser to do the evaluation.

Mr. Muirhead: — Okay that's better, Mr. Minister, because I didn't think that there was accredited appraisers left in the department. But if the farmer has that option, if he's not satisfied with the department's price per acre or whatever, he has that right to bring in a private appraiser.

All right, Mr. Minister, move on to . . . You must have land. It has to happen every year — and if not, it soon will be — where land is given back. It has to be happening under this economy situation the way it is. If land is put out for sale and it doesn't sell or put up for rent, what I want to know, if the land is put up for rent, what would be your policy on how, say, more than one applies for that land. What would be your policy in how to pick a lessee for that land?

Hon. Mr. Cunningham: — If the lease is to be short-term one for a year, we tender those leases out. It's done by tender. If it's to be a long-term lease, we have our lease policy which includes age, distance, and land base and so on, in the formula determining who gets the lease.

Mr. Muirhead: — Mr. Chairman, Mr. Minister, you're saying that if a long-term lease is put out, then it goes to the point system. That's the same policy that was brought in by the past government. Is that correct?

Hon. Mr. Cunningham: — That's correct. We haven't made any changes to that policy manual.

Mr. Muirhead: — Are you looking at any changes to the point plan, Mr. Minister? I'll just make a comment before I have you answer. I wasn't 100 per cent . . . That wasn't 100 per cent plan but it was better than what was in place under the old government and under past governments. It used to be if land branch land or any government land came up for sale, they had to go out and pick and choose. And I know maybe at that time there was no other way and it's a hard thing to do.

I remember when I was a rural councillor and nothing to do with politics whatsoever, that someone from lands branch or maybe it was under land bank at that time, I'm not sure, but I remember them contacting my area and saying that there was a parcel of land for sale and we have 20 on this list. This particular time there was 20 people that applied. And they said, we need some help to get some recommendations who would be the best farmer. I know they came to me as a councillor, I know they went to the MLA (Member of the Legislative Assembly), I know they went to . . . even in some cases they went to the MPs (Member of Parliament) and was federal. Just whoever they . . . what government was in power. And it had its bad points, I'll tell you, because it was just somebody had to pick an individual.

So I know we . . . I was in the agriculture caucus all the years we were in government and we worked at that program. It was changed several times and we come up with the point system, but it's not a 100 per cent program, but it's much improved like I said before.

And I was wondering if you were looking at maybe improving it some more. The points that I have against it, were you've got a person that's maybe an excellent

farmer and he fits all the . . . you've got the right age and he's the right distance to the land and he gets extra points for . . . maybe because he lives close enough to the land but maybe somebody that loses points because he's too far away and he really needs it badly. And so the flaw in the system was they'd pick anyone that was within 10 per cent. This is the flaw that I worry about.

I don't know whether all my caucus agree with me on this or not. But it's a flaw that I've run into that if four or five people or two or more, they have to go to the draw system, and you could be within 10 points. Somebody could score an 85, somebody a 75 or a 90 and an 80. And I've 7, 8, 10, 12 and they draw one. Well I would like to just see what you think of this plan, Mr. Minister.

I thought it would be better, the plan that you draw up on the point system that — whatever it be — I think that it'd be better if you made, you know, stick right to the point system. And if you score an 88 and the next one to you scores an 87, 88 gets it rather than throwing within 10 into the pot.

I'd just like your views on that, Mr. Minister, and I'm not sure how familiar you are with that point system because it might not have come to your attention. So I'd just like to get your views from you and some of your officials on that.

Hon. Mr. Cunningham: — I appreciate the minister's comments. It is always a very difficult situation to allocate land, and I guess it's one of the things that we'll be looking at, at our land policy. And I know that we'll certainly take it under advisement. As you said, no system is a hundred per cent, and we'll certainly try to improve it. I think you make a good suggestion; we'll take it into consideration, I think. It is always a difficult situation, and as you always have some complaints about people who feel that it's not quite fair. But we certainly will hope to get it as fair as we possibly can.

Mr. Muirhead: — Yes, I'll just leave it at this, Mr. Minister. I was responsible for lands branch for a short time, and I got a lot of calls throughout the province. And when you have the draw system, somebody's always awful unhappy that doesn't get drawn out of the hat.

So I always felt that it might be better to improve that point system, improve it so it is . . . you are scored pretty accurate anyway. You can't change your age. You can't change your distance away from the land. You can't change how much other land you've got. So those points could be maybe geared up to be a pretty concrete . . . So when you come up with a score that that is just like you're writing exam; that's a score.

And so I think that you would hurt less people and keeping in mind . . . I'm sure not coming down on you, Mr. Minister; this was our policy. And I'm just, for discussion, I'm just trying to make suggestions to make things better. I feel that the people that I've seen hurt in the draw would feel better if somebody said, well you scored an 85 and the other one scored an 87, so you lost it. I think they would feel that better, rather than score an 89 or a 90 . . . like I had a case one time where a guy scored an 89 and the next one to him was 80. They made the draw —

just two of them — made the draw, and the guy with the low score got the land. And it was really . . . It was hard to handle, something like that. So I'll just leave that with you that . . . for the department. I see your officials are here. And I know some of them, and they've got good heads on them, and along with yourself, Mr. Minister, maybe you could look at that.

(2115)

And when you're making this here tour around the province to talk about farmers and your new policy, you could perhaps ask some of the people about that, or something that can improve on what I'm saying.

Mr. Minister, let's move into another area. We talked a few minutes ago about approximately 1,100 farmers that . . . They had cancellation notices, either through the Farm Debt Review Board or cancellation notices. And we agree on that — approximately 1,100 farmers. And none of them lost their land. You said none of them lost their land. Why was Bryan Oster . . . why was he losing his lease?

Hon. Mr. Cunningham: — Mr. Chairman, Bryan Oster voluntarily surrendered his lease.

Mr. Muirhead: — Why did he voluntary surrender his lease and still be farming it? I don't understand that.

Hon. Mr. Cunningham: — Again, I made that point in question period. The time that he surrendered his lease was very close to seeding time. The department asked him if he would farm it for the year or so, so that we wouldn't have the difficulty of trying to advertise it and get a new lessee on a very short notice.

Mr. Muirhead: — Is this gentleman . . . has he indicated that he's not going to want to farm it another year, that this is just for one year he wants it? Is that for sure? Is that a statement that he's made? Have you got that in writing, or whatever, that he just quit farming? Because you asked him, you asked him . . . The department asked him to farm the land; he turned it back; he got a lease on the land again. Is that because he . . . You said he voluntarily turned it back. So did they ask him to take it back for one year, or is he still going to be trying to buy it back or lease it again?

Hon. Mr. Cunningham: — Mr. Oster has a one-year lease on the land, and we will be tendering and advertising that land next winter.

Mr. Muirhead: — How much land did he rent from the lands branch, Mr. Minister?

Hon. Mr. Cunningham: — Two quarters of land.

Mr. Muirhead: — Mr. Minister, on this land how many acres were cultivated?

Hon. Mr. Cunningham: — 260 acres.

Mr. Muirhead: — Now was that just a 260-acre half-section or was it like a meridian or a correction line? What about the other 60 acres?

Hon. Mr. Cunningham: — The other acres were grazing land.

Mr. Muirhead: — What was the assessment on these two quarters of land?

Hon. Mr. Cunningham: — We don't have that information. We can get it.

Mr. Muirhead: — Was this 60 acres that wasn't cultivated, was that seeded grassland, pasture land, or was just rough land that never was broke up? Was that prairie grass or seeded land?

Hon. Mr. Cunningham: — We don't have that information here either.

Mr. Muirhead: — Well is there not some way we can find it out? Because I want to know all the details on this whole situation before we move off these estimates. Is there some way one of your officials can find out? After all the issue we've had here, we're coming up to a \$70,000 figure we're talking about on this land here shortly, and I'm sure that someone should have been looking into what kind of land we're talking about. If it's planted land and it was cultivated land to start with, and 60 acres were cultivated up and sowed to pasture land and yard, that's got a lot to do with the difference in what kind of land . . . or is it rolling, rough pasture land?

Hon. Mr. Cunningham: — The value of the land . . . I think the file that we sent over on that, from answers in question period, have . . . I think the opposition has as much information as we do on the case, because I think we sent over photocopies of the appraisal of the land, the values owing, the number of acres. I think that information is . . . You have as much as we do, I believe, although we may have more on the land.

We didn't, as you realize, sell the land to Mr. Oster. So we still own the land. We didn't appraise the land. That was land that he leased from us. He paid for 260 acres of cultivated land and I think 40 acres of grazing. We believe that was native land, although my officials are not certain without driving out there to check it. And that had nothing to do with the sale. What we bought from Mr. Oster was the improvements, and those appraisal sheets and so on have been sent over to the opposition.

Mr. Muirhead: — Mr. Minister, our office did not receive that information. Mr. Minister, under no circumstances did we receive that information.

Hon. Mr. Cunningham: — I have here, at least I think, most of the information, if not all, that we have on it. I'll send that over.

Mr. Muirhead: — While my colleague is looking at that, Mr. Minister, I'll go on with other questions. What year did this gentleman rent the farm from lands branch? What year?

Hon. Mr. Cunningham: — 1973.

Mr. Muirhead: — Mr. Minister, I thank you for sending

this over, but I want to assure you that we've never seen it before. It looks like it didn't get to our office, got lost along the way, same as the other material that didn't get to the critic tonight. So that's what causes little problems when we . . . I'm not blaming anybody in your office but somebody along the way has . . . We just didn't receive that.

What was the yearly rent in 1971 . . . or 1973, and what was the yearly rent that he was paying now?

Hon. Mr. Cunningham: — The information on 1973 would require considerable digging back into 20 years of lease files. The fee for this year was \$2,290.

Mr. Muirhead: — It's \$2,290 for when?

Hon. Mr. Cunningham: — The present year.

Mr. Muirhead: — For the half or for the quarter?

Hon. Mr. Cunningham: — For the full half.

Mr. Muirhead: — So it doesn't look like it's what you call real heavy Regina gumbo land. It doesn't look like . . . \$2,260 for 260 acres. And I understand that the gentleman hasn't got any cattle so if it didn't have the cattle the rest of the land might have been broke up, more likely. So probably that will allow him 20 acres or 10 acres for buildings, and there's at least 50 acres that hasn't been broke up.

Who owned the farm prior to this gentleman renting the farm?

Hon. Mr. Cunningham: — One Robert L. Stevenson.

Mr. Muirhead: — Did lands branch purchase the land from Mr. Stevenson?

Hon. Mr. Cunningham: — The Saskatchewan land bank purchased the land from Mr. Stevenson.

Mr. Muirhead: — The land bank purchased the land in 1973?

Hon. Mr. Cunningham: — In 1972.

Me. Muirhead: — Just so I have it straight. The land bank purchased the land from a Mr. Stevenson in 1972 and then rented the land to Mr. Oster in 1973. Is that correct, Mr. Minister?

Hon. Mr. Cunningham: — That is correct.

Mr. Muirhead: — How much money . . . how many dollars per acre did Mr. Stevenson pay for this land?

Hon. Mr. Cunningham: — I don't know how much Mr. Stevenson paid for the land. The land bank bought the land from Mr. Stevenson. The north-east quarter was \$8,990; the south-east quarter \$10,157.

Mr. Muirhead: — Yes. I'm sorry. You gave me the answers that I wanted but I didn't . . . I meant from . . . how much did land bank pay to Mr. Stevenson for the land? I

said, how much did Mr. Stevenson pay? But you were ahead of me, Mr. Minister, and gave me the right answer.

Now that doesn't . . . at that time I know land wasn't very high at that time so that's \$18,000 roughly for the whole farm in 1972 — \$18,000 roughly. So it wasn't what you call, like I said before, Regina gumbo. It's not what you call a top-notch farm. If you're only paying \$2,260 rent in 1992, it is not high-priced land or high productive land.

Now what was there for buildings on that land when you purchased that land?

(2130)

Hon. Mr. Cunningham: — The value of the improvements was \$10,380.

I have the list of the improvements and the ages to them and can go through them. There was a house there in 1961. It was built onto and added to. It was built onto in 1982. Oh I have the list in . . . The house was a 1,080 square-foot house, was valued at \$7,860 when the land bank purchased it. Two steel bins valued at \$1,050, a plywood bin at \$450, three granaries for \$150, a garage for \$50, a garage for \$720, and a barn and other outbuildings \$100, for a total of ten three eight.

I can go on to list some of the improvements that were made. Okay I'll wait till you ask for it and then I'll get it straightened out.

Mr. Muirhead: — Mr. Minister, sound like you're so anxious you're trying to get ahead of me here. And I appreciate that because we're doing quite well here.

Mr. Chairman, and Mr. Minister, paid a total of 18,000 . . . well roughly \$18,150 whatever. I didn't get that exact figure of the one quarter — 10,150, I believe you said. Anyways we'll just say in round figures \$18,000. So really when you take the \$10,000 off the house, you only paid 8,000 for the land. Is that correct?

Hon. Mr. Cunningham: — No, that's not correct. The 18,000 was for the land. The improvements were another 10,380. So the total purchase with the land and improvements would have been 28 to 29,000, in that range.

Mr. Muirhead: — So the round figures are 29,000 now. They've changed now because I asked you what they pay for the half section of land, and I've never heard anybody in my life ever say, what did you pay for that half section of land, and they'll say well I paid \$200 an acre, \$300 an acre, \$500 an acre, and then find out afterward that he put another \$100 an acre into the buildings. So it looks to me like he paid almost as much for these old buildings as he did for the land, so it must be real poor land.

Now I'd like to ask these particular questions pertaining to the buildings on the land at that time. I know you started to tell me some of them. I want to know if there was a barn on the land at that time, the size of the barn, and the shape of the barn . . . or I mean what shape it was in, was it an old wreck of a barn. There are some beautiful barns in Saskatchewan yet, so maybe it is a good barn at

that time? Was there a Quonset? Was there a shop, granaries, and what other buildings? I know you did start into that and I kind of cut you off, Mr. Minister. So could we get an outline exactly what buildings were on the farm when they bought it.

Hon. Mr. Cunningham: — Right, I will go through the list I did again. I will pass this over to you so you'll have it when I get through it. I don't know how many copies I have. The residence was 1,080 square feet valued at \$7,860; 2 steel bins at 1,050; plywood bin at 450; three old granaries for \$150; an old garage for \$50; and garage for 720; barn and other old buildings for \$100. That was the total of \$10,380 which was what the improvements were at the time the land bank purchased it.

Now the evaluation when they purchased these assets back from Mr. Oster were residence 1,250 square foot, because the house had been built onto in 1982 and expanded, and I think a new basement put under it, and renovated — that was valued at \$30,000; a steel workshop which was built during that time period for \$21,330; two steel bins for \$1,500; a garage for \$350; a garage and carport which was added to the improvements, \$2,000. And services, there was a well dug valued at \$6,800; trenching for \$1,400; dugout and power site, \$2,000; telephone services, \$1,000; natural gas, \$2,600; fencing, \$1,000. And the total improvements in 1992, when they were purchased from Mr. Oster, were \$71,720.

Mr. Muirhead: — Mr. Minister, I only picked up the house, that there was \$30,000 spent on the house. And then I picked up some of the small . . . It looked like the house was the main improvement but I didn't pick up the workshop and the Quonset. I wonder if you'd send it over to me please.

Hon. Mr. Cunningham: — I'm just getting it photocopied, so I can get you copies. We only have one copy.

Mr. Muirhead: — I'll ask another question while they're getting that. The 1,250 square-foot house, that's what it was after it was renovated. Now what was the structure and the size of the house to start with before he started on it?

Hon. Mr. Cunningham: — The size of the house was 1,080 square feet, I believe.

Mr. Muirhead: — So what they did is built a little onto the house. Looks like a 170 square feet was built on and some improvements to the house for 30,000. Do we have that correct, Mr. Minister? Then you must have built on . . . you said 1,080 feet to 1,250 feet. It's 170 square feet for \$30,000. So we have that straight?

Hon. Mr. Cunningham: — I believe so. The house was built on to. And I think there was a new basement put under it and some major improvements to the house in 1982 valued at \$30,000 in 1992.

Mr. Muirhead: — So when I get . . . Perhaps I have to wait until I see that list. I just have to look at that list before I ask any more questions.

Mr. Minister, I have some questions I want to ask on here. The residence, you said 1982. That was the renovation was done.

Hon. Mr. Cunningham: — That's correct.

Mr. Muirhead: — What year was the workshop — it says steel — what year was that built and what size?

Hon. Mr. Cunningham: — It was built in 1987. It's 36 by 48 by 14 feet; poured concrete grade beam and slab form floor; two by six frame with metal exterior; insulated and lined; gas radiant heater, and I guess that's it.

Mr. Muirhead: — Did I get you straight when you said . . . if you wouldn't give them quite so fast, Mr. Minister, I'm trying to write these down — 36 by 38 by 14 high, is that what you said, Mr. Minister?

Hon. Mr. Cunningham: — It's 36 by 48 by 14, that's correct.

Mr. Muirhead: — Mr. Minister, the two steel bins, what year were they purchased and what size are they?

Hon. Mr. Cunningham: — I don't know what size they are. There are two steel bins on the improvements at the time that they purchased it and two steel bins on the . . . again in '92. Whether they're the same two steel bins, I don't know.

Mr. Muirhead: — We see on the map here they're 1,350-bushel bins — just little bins. The plywood bin . . . I won't ask you to give me the year on that. I would take that's probably an old bin if the value's at \$350.

The garage and carport — \$2,000. What year was that built on, Mr. Minister?

Hon. Mr. Cunningham: — I don't have the information as to what date those were built.

Mr. Muirhead: — It says the well . . . I take that the ones that didn't have a year beside it, that they must be old because now they got the well — \$6,800 in 1987. And then trenching, I would say that that would probably go with it in the same year — \$1,400 dugout and power site; \$2,000 telephone services. What would the telephone services be for \$1,100?

Hon. Mr. Cunningham: — I don't know specifically what those are for, whether it's for a private line dug in or coaxial cable for a computer or whatever.

Mr. Muirhead: — Well now, Mr. Minister, I think that . . . You see, in question period, Mr. Minister, we weren't able to ask you these detailed questions. Now we've got to the tragedy of this thing, and it is a disaster. I'm going to tell you that any time that one of your own, an NDP candidate, gets 71,000 for \$71,000 paid out over all these years, is absolutely a give-away. I hope you treat the other 1,100 people like this because this is terrible, absolutely disaster.

I build a house in 1986 on my farm, right away from the main farm, and it's approximately \$100,000 in 1986, and

it was a 1,500 square-foot house, completely finished basement, and attached garage; had to bring the water a quarter of a mile. And I remember an appraiser telling me at that time, or an individual friend that was an appraiser, says that that farm, that house, why did you build it on the farm — I'm only 2 miles from town — why didn't you build it in town because your \$100,000 house is worth \$35,000 today? That's how fast they depreciate.

You couldn't possibly ever call it logic and not political patronage here to have someone spend \$71,720 over all these years and then give him \$71,000. Now there's no way. There isn't a way in the world that you can answer that with any logic whatsoever other than political patronage.

And after having such a good evening here, I'm sorry to have to come down on you hard, but how else can I do it? I just said to my colleagues that I know for sure, without a doubt, that if there's \$70,000, there'd have to be 3 or \$400,000 spent to pay out \$70,000.

Hon. Mr. Cunningham: — It's hard to answer logically a question that isn't a very logical question.

The values that we gave you were the values that we appraised those properties at, and they were paid at the appraised value. That is not what Mr. Oster spent on those improvements. We paid \$30,000 for a house; he probably spent more than \$30,000 renovating.

That was treated in exactly the same manner as every other farmer was and every other lessee is treated in the same way. I had nothing to do with this; did not even know that it was going on. This was done by the standard, by-the-book process and the land was valued. I'm surprised that the members opposite would have lands branch take advantage of farmers who are forced to give up their lease, and try to steal their improvements from them at far less than what they're worth. I think that that was a very fair assessment; it was done by the book; and there certainly is no patronage involved in it.

Mr. Muirhead: — Mr. Minister, you were just elected eight, nine months ago and you're an honourable man. I take it to be that or you couldn't have got elected. And for you to stand here and give me the figures, figure by figure, what was spent, this is what it cost. And that's reasonable — building 200 or 150 square feet . . . 170 feet on a residence in 1982 — to me it's pretty high, but we'll give the benefit of the doubt — \$30,000. That's a lot of money, in 1982, to spend \$30,000 on building 170 square feet and renovating it. That's a lot of money. And you told me that this is exactly what was the cost.

And then when I bring it to your attention, you stand up and say, oh no, he paid . . . it cost him much more than this; it cost much more. Did it cost him 3 or \$400,000?

And then I ask you, if you look in page 76 of the *Estimates*, where is it in here that you had \$1 to pay him from? Have you paid the man yet? Has he got his cheque? And where did it come from? Because you go down here, acquisition of land and improvements capital, zero.

Come on. Level with me, Mr. Minister. You're under oath

in this here room. This is the Legislative Assembly and you are under oath. And I expect you to tell me the facts and exactly the facts.

(2145)

Hon. Mr. Cunningham: — Mr. Chairman, I'm quite glad to supply the member with the facts. I just wish he would listen and get the facts straight. The facts are, those numbers that we gave are appraisal. We don't ask him what he spent on them. We don't ask what the costs were. We appraised those on a fair market value, and we pay them out on a fair market value.

I have here a copy of an appraisal that Mr. Oster had done by a private appraiser. He values the improvements at \$84,000. We, as a department, thought those were high. We went with our own appraisal which comes in at 71,000, done by the book and, I think, a very fair appraisal.

And for the members opposite to stand up here and accuse my officials of patronage and incompetence, I think is not very professional of them. And I think he should also remember that he is also in the legislature here. And this is not . . . We're doing estimates and not trying to slander people's characters here tonight.

Mr. Muirhead: — Mr. Minister . . .

The Chair: — Why is the Minister of Agriculture on his feet?

Hon. Mr. Wiens: — I would ask for leave for introduction of guests, Mr. Chairman.

Leave granted.

INTRODUCTION OF GUESTS

Hon. Mr. Wiens: — Mr. Chairman, I'd like to introduce two friends in the Speaker's gallery here: Patti Ranschaert, who is the financial officer at the Saskatchewan School Trustees Association, has served the association long and well and continues to do that; and Glenn Schmidt who worked in the computer services at SSTA (Saskatchewan School Trustees Association) and is now with a private computer firm in Regina. I ask you to join me in welcoming them to the legislature.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

Consolidated Fund Expenditure Rural Development Vote 43

Item 1 (continued)

Mr. Muirhead: — Mr. Minister, I don't know where this is going to end. But it's not going to end by you standing up here saying the kind of statements you said.

We are the opposition. We have the right to ask you the questions, and we can stay here until doomsday until you

answer the questions. This is our right. This is absolutely our right, day after day after day unless this government brings down closure on estimates — never been done.

Mr. Minister, I want you to come clean because we'll look in *Hansard* tomorrow. We can't look at it tonight, but these are the figures that you gave for the cost of the renovations. And then when I caught you in the trap that I was hoping I wasn't going to get you in because I thought for sure, I thought for sure that we'd have like a large, large figure and that . . . You'd have to have to pay this man \$71,000, he would have to have at least 3 or 400,000 spent on that yard. It would depreciate that fast.

Now let's talk about, you think that somebody went back to four years and you appraised the well of being worth \$6,800. I mean the trenching, \$1,400; the dugout and the power site, \$2,000; telephone services; all-weather driveway; natural gas. Because I can prove it right here that these are the actual figures. You're caught in your own trap if you don't even realize it. Well, \$2,600 is what the Progressive Conservatives cost to put in natural gas and that's what's down here, \$2,600? Full recovery. How do you put down and get a man full recovery when he's using it? So that means you've given him full recovery all through the whole list.

Now I know you got good officials around you here tonight, and we're not blaming them because I don't think that this year's scandal ever even started in Regina. It's happened with some bureaucrat some place else, but it happened that this favoured . . . I don't know why you picked an NDP candidate that got defeated. I could see maybe somebody in a riding that won a riding, but they didn't even deliver the riding. It cost you \$71,000. You didn't even win the riding for goodness sakes.

But I mean, it is the worst thing that I've ever heard because you got up here under oath and said that oh no, he paid much more than that, that this is depreciated value what he valued at. How do you get \$2,600 for natural gas and is still \$2,600? And you're going to find out that that is the price. Do you think that I'm not a farmer and don't know what a 1,350 steel bin is worth? Well I'll tell you what it's worth because you haven't even got the year beside it, so it means it's likely old.

An Hon. Member: — 1972.

Mr. Muirhead: — 1972 my colleague says and \$1,500 is a lot of money.

Now we're not going to get stopped here until you stand up here, Mr. Minister, and quit defending somebody in your department because somebody in your department should be without a job. So whoever did this, and some agrologist, whoever did this, somebody should be without a job. You've laid enough people off and hired enough of your own NDP to come back in. Every department's done it.

Now here's one that should go. And you as the minister should not be standing here and protecting that individual. And don't you step . . . get up and waste your time saying that we're bringing scandals to the legislature. We're bringing facts.

Because I sit here and I watched here in estimates not more than a year or two ago the member from North Battleford going on to bringing individuals' names in about a gravel scandal up in Meadow Lake with Energy and Mines and kept estimates for days over it. It went on for days and days. You new members weren't here. I've been here for 15 years and I know what goes on around this place. I know what you're capable of. I know that the NDP is capable of paying their own.

Now, Mr. Chairman, Mr. Minister, there's no sense keeping on. We've proved it. And tomorrow you're going to get it back in question period tomorrow like I've ever seen. We're going to spend a half an hour on you tomorrow and then a half an hour the next day, because you have admitted it all here tonight. You admitted it. And what proves it is the figures. The figures prove it all the way down the line.

And then you rent the land back at \$8 an acre. I mean what a crud; 8-point-something dollars per acre he leases it back for. There isn't . . . I guarantee you that if Farm Credit or Agricultural Credit Corporation or lands branch or any lender in Saskatchewan put that whole farm up for sale, they could not begin to get 70,000 for the entire farm — with the land and all the buildings. You couldn't recover it. It's impossible.

You couldn't sell the land for what lands branch paid for it or land bank 20 years ago. You couldn't sell it for that and get another 70,000 for the buildings because we all know — the minister from Rosetown knows; the Minister of Agriculture and anybody that's a farmer in this room here knows — that once you've got a . . . build a set of farm buildings and you go to resell it, unless you built it the day . . . even build it the day before, you've lost 50 per cent. And here you are, paying 100 per cent of recovery. It's the most disgraceful thing I've ever heard happen with the NDP government I think since I've been here in 15 years. It's the worst I ever seen.

Hon. Mr. Cunningham: — Mr. Chairman, I'm amazed at the appraisal skills of the member opposite. I might point out that he was just complaining a little while ago that the price of putting natural gas on farms has actually gone up, so maybe we didn't assess enough.

Two 1,350 bushel bins for \$1,500, he thinks that's outrageous. He thinks \$30,000 for a 1,250 square-foot house is outrageous. I point again — here's an appraiser, Apex appraisals, somebody who does this for a living, appraised these improvements at \$84,000. That's a professional, somebody who does it for a living.

I think the member opposite can sit here without seeing the buildings, without seeing the house, without seeing the steel shed and say this is outrageous. I certainly wouldn't try to attempt to appraise buildings in Maple Creek from sitting in the legislature. And I don't think the member opposite should either.

And I also don't think that he should be questioning the professionalism and the competence of Rural Development staff, sitting here looking at numbers and saying this is a ridiculous way to appraise it because my

house is only worth something. I think in all fairness to the professional people who did this and the policy that we have, which I think is fair to the lessees who are turning back improvements . . . We have no desire to rip off . . . and lessees who are turning back their land, who have worked hard and put improvements on those lands over the years . . . And so I think that this is a very fair appraisal.

Mr. Muirhead: — But I'll challenge any agrologist in your department, that you can give me the picture of any set of buildings . . . Or not even the picture, just tell me when they were built and give me all the machinery, and I can come closer than the average individual in this province. I've done it for years. And I can do it. You give me the list of every piece of machinery on your farm, the size of your house, when it was built, and you and I can sit down. And we know what's it worth. It's worth what you can get out of it.

And you're putting prices on here. You're saying that I'm saying it's ridiculous — that \$30,000. I didn't say it was ridiculous to spend \$30,000 on that house. It probably was right. But you can't pay out your buddies that much money. You can't pay out your friends what he put into it 10 years ago . . . spend \$30,000 on a house 10 years ago and get the cheque for it today. Come on now. Talk to your officials and get this thing straight. You got some good people sitting around you that are qualified. Get them to give you the straight goods. And I want you to tell us who the agrologist was. Who was the agrologist that did the appraisal on that farm?

Hon. Mr. Cunningham: — The appraisal was done at the Swift Current office. I don't know which staff member did it. I don't think I . . . From looking at the independent appraisal that was done by an independent appraiser, I think this certainly is well within guidelines. And I think the staff has done a professional job at appraising this. And I don't know which staff person was actually involved in doing it.

Mr. Muirhead: — Mr. Minister, I feel sorry for you really because this is not your fault. A man like you with high stature comes in here, and you're put into the cabinet. And you're left here with a mess like this to have to handle. You've got to stand up here and mislead the rural Saskatchewan over something like this.

Of course we just talked about it a little while ago when I said when we formed government in 1982, we were getting the agrologist and the appraisers out of the department to appraise land to sell it. It was so ridiculous that they were appraising land at \$400 an acre that wasn't worth only 150. And to prove it, I can give you the numbers of the land. And you can go back. And I can give it to you right in my own area where I didn't interfere other than give the man the right and to go and to get a private appraiser. And land that these agrologists and appraisers out of the department were coming up with \$400 an acre because the philosophy of the old NDP was never to sell the land. So that followed right through to the agrologists there at that time. How do I know it's not the same agrologist there today? That he wants to appraise land at a high price and appraise these buildings.

You can't tell me that it's right and it's proper. And I'm

going to get off this because we're not getting any place. You're not admitting it because you can't. You can't admit it. There's no way that you can stand up here as minister and say . . . You should. I would just say, to heck with my front-row benches and I would say, if somebody made a blunder like this in my department if I was minister, I would stand up and say, yes, the member from Arm River and to the member from Maple Creek, that you're absolutely right and some agrologist overestimated and then . . . You haven't even answered my question. Where in the world is the money to pay for it? Where's the money? It wasn't in the budget. Where's the money?

Turn to page 76. Under acquisition of land and improvements capital, you've got zero there. Has he been paid? Or how's he going to get paid or what's going on?

Hon. Mr. Cunningham: — If the member looks on page 93, you will see the vote there. It's investment in Crown land held for resale, estimated for '92-93, \$250,000. And that's the money from which the funds came.

Mr. Muirhead: — You're saying under loans, advances and investments, that that's where the money could come from, under that \$250,000. Are you sure of that, Mr. Minister?

Hon. Mr. Cunningham: — Yes I am.

Mr. Muirhead: — Well I guess you're right. It had to come from some place. You sent another document over here, a minister's briefing note that you sent over to us. And it's talking here about the total improvement value, \$71,720. House, shop, water systems, out-buildings, phones, power, natural gas. Improvement value of 71,720 and less permit fees, 2,291.07, and less improvement balance, 2,865.90. What is that for? For a net pay-out of 66,563. Tell me what the 2,865.90 is.

Hon. Mr. Cunningham: — The balance of . . .

The Chair: — Why is the member for Saskatoon Wildwood on her feet?

Ms. Lorje: — By leave, Mr. Deputy Speaker, to introduce guests.

Leave granted.

(2200)

INTRODUCTION OF GUESTS

Ms. Lorje: — Thank you, Mr. Deputy Speaker. I would like to introduce to you, and through you to the members of the Assembly, someone seated in the west gallery along with a couple of members of the fifth estate. I would like to introduce Mr. Jamie Jonasson, formerly of Vancouver who is on his way to Ottawa to Carleton University and I would hope that members of the Assembly would warmly welcome him and wish him well in all his future endeavours.

Hon. Members: Hear, hear!

COMMITTEE OF FINANCE

Consolidated Fund Expenditure
Department of Rural Development
Vote 43

Item 1 (continued)

Hon. Mr. Cunningham: — The \$2,291.07 was the lease fee for the year which was deducted from the amount and the \$2,865.90 was the amount owing on improvements that was still to be paid. Improvements were paid under the contract over, I believe, a 25-year period so that would be the balance that was left owing on the improvements.

Mr. Muirhead: — You mean to tell me, Mr. Minister, that all these years he's been paying on the improvements that he bought from you, so now you overpay him so he gets paid, gets that bill knocked off, gets another 66,000. I mean this guy he's had, he's had something really given to him. He's had a gift. It's better than winning a lottery for goodness sakes.

Let's just talk about this here house again, this house, \$30,000. It's an old house to start with, it's 31 years old, built in 1961 I understand, a thousand and some square feet, 1,080 and it's got 170 square feet built on in 1982. And all of a sudden it's worth \$30,000 and it's a long ways from nowhere I understand. How far is this house from the closest town or post office, Mr. Minister?

Hon. Mr. Cunningham: — Those are not factors that we use in our evaluation of improvements. We do it according to our manual and those are not, that's not one of the factors that we use in evaluating improvements on farm land.

Mr. Muirhead: — Then what did you use then? What kind of a factor did you use? You must have had a dandy set of figures there.

Hon. Mr. Cunningham: — You have those in the sheet that I gave you.

Mr. Muirhead: — Mr. Minister, let's just go back. For example, there's a house 2 miles . . . town of Craik, built brand new, 1976, \$100,000, on a 3.7 acre acreage, 2 miles from the town of Craik. It's my own home.

I've had it appraised, \$25,000 and it's in beautiful shape with 1,500 square feet, 1,500 square feet finished in the basement, a double garage and an endless water supply — it comes from a quarter of a mile away of course but still — and it's all landscaped. And they tell me the value by appraisers of that whole entire home 2 miles from town is \$25,000. How do you get a home to be appraised at \$30,000 just for the improvements? I mean, my goodness, he can't get paid for what was there to start with because he's still paying on it. Somebody else . . . the lands branch bought . . . Well don't laugh. The minister's laughing. For goodness' sakes, go back. The lands branch paid Mr. Stevenson for the home and the buildings to start with. He paid for the 1,080 square feet or lands branch paid for it once. We're not talking about a new home built in 1982. We're talking about \$30,000 worth of

renovations.

Now how far is this here farm home from the closest post office?

Hon. Mr. Cunningham: — Mr. Chairman, again, the \$30,000 is not for the improvements. It's the total value of the home, remembering that Mr. Oster has purchased this home over the period of years that he leased the land. And now he's selling it back to us. I want to remind the member opposite that we haven't changed our policy for valuing farm improvements. This is the policy we took over from the previous government. Perhaps it's one that we should look at. Maybe we should be a little tougher on farmers and try to squeeze a few pennies out of our lessees who give up their lease and have to leave the land and try to recover some more money from them. But that's the current policy which we took over. We valued this according to that policy, and I think, in my opinion, it's a fair policy and a fair evaluation.

Mr. Muirhead: — Well I could tell you, Mr. Minister, you never got that policy from any Progressive Conservative government because we used completely outside appraisers. And you will never find a farm home in Saskatchewan . . . that a home built in 1961 and built \$30,000 worth of renovations on it — and that's 10 years ago — and then you got a total of 71,000 paid entirely on the farm. I mean your own figures prove it. And then pay him \$71,000. I mean, it just never happened. Did they allow . . . did he do any improvements to the land? Was the land improved? Did he . . . Maybe some of this is improvements in the land. Did he get paid maybe some of this for . . . that you . . . There's got to be something wrong here. There's got to be something, some unanswered puzzle here. Did he bury a bunch of rock piles? Did he bury trees? What did he do?

Hon. Mr. Cunningham: — Mr. Chairman, the officials who were here under both administrations assure me that this is exactly the same policy the Progressive Conservative government used when they valued land. There's been no change in the policy, and this is the system that was used.

And again, we valued these improvements. What you have over there is a list of the total value of the improvements, what was there when land bank purchased them from Mr. Stevenson and were sold to Mr. Oster, and was purchased again from Mr. Oster by the land bank. The total value of all the buildings and improvements were there. And again, all I can say is that in our opinion and in the opinion of a private appraiser who does this for a living — and appraised it at 84,000 — I think 71,000 was a very fair appraisal value.

Mr. Muirhead: — Well I can tell you, Mr. Minister, that it was not Progressive Conservative policy to go out and appraise land and appraise buildings in 1982 because in July 1982 over there, we ceased to buy any more land. We didn't. It was somebody lost their land like this. Certainly we appraised the buildings. But you can stand up there and say, Mr. Minister, you can stand up there and say . . . and you can't say anything else because you're caught in a real trap. You can stand there and say, well the same system, the same agrologist, the same people doing

it. But maybe if they had done it right and properly and maybe if there hadn't been an NDP defeated candidate, maybe they would have valued the whole setup at about \$20,000.

Somebody was really helping this individual. Someone was helping to pay off a candidate. And I feel sorry for you, Mr. Minister, to have to be the one to take . . . And this isn't just something brand-new in lands branch. This kind of stuff has been going on for years. And I'm sorry to say that the nine and a half years we were there, we never got the mess cleaned up. We tried. It's going to take a lot of many years. And you got some good officials around you; ask them tomorrow, tonight. Ask them, help me clean this mess up. Stop somebody from going out and doing what they did. Stop these things. This isn't the only one in the province.

If it wasn't getting hours, wasn't getting late, and I got some more questions, and my colleagues want to ask . . . I'd get into some more because you're great at it. There was nobody greater than the NDP as to how they favoured people and paying them off. You've been doing it for ever.

Mr. D'Autremont: — Thank you, Mr. Chairman. Mr. Minister, one of the items you sent over was the employee . . . (inaudible) . . . report. And I wonder if you'd mind explaining a little bit of the figures and numbers and codes on this for me. Where it says "job" on here, it's rated one, two, or three. Now what does that mean?

Hon. Mr. Cunningham: — Mr. Chairman, that is simply tracking people through to the department. The ones with a one, that's their first and only job. If they moved to a new job in a department, then they're a two, and the three and so on if they moved to another job.

Mr. D'Autremont: — Further on it says position, type, number and then VW hours. What does VW hours mean?

Hon. Mr. Cunningham: — Those with the designation of 100 are out-of-scope employees who have no defined hours of work.

Mr. D'Autremont: — Thank you, Mr. Minister. Under appointments you have CD, and then it has a whole bunch of letters like double A's or NA's or double M's. What do those all stand for?

Hon. Mr. Cunningham: — That's the Public Service Commission coding. We don't have the code for it here. We can get it for you tomorrow if you like, but it's a Public Service Commission code that's on the employees.

Mr. D'Autremont: — Thank you, Mr. Minister. I'd appreciate that if you would, please.

Further over it says, PS class M O D. What do those stand for and what do the numbers under the PS stand for?

Hon. Mr. Cunningham: — That's the Public Service classification of different jobs and salary ranges. That's their job classification in the Public Service Commission.

Mr. D'Autremont: — Mr. Minister, would you mind

providing some sort of information as to how to interpret all these numbers then?

Hon. Mr. Cunningham: — We can do that.

Mr. D'Autremont: — Thank you, Mr. Minister. As I looked over this form, I come up with, I believe, 54 new employees. Now they're not all permanent; some of them are part-times.

I'm wondering what these employees are hired for. I don't mean the individuals, but I'm wondering if perhaps a number of them are summer employment, if that's what it is, because there's quite a number of them that were hired in May.

Hon. Mr. Cunningham: — Those would be seasonal workers, mostly pasture riders and ferry operators, I believe.

Mr. D'Autremont: — Okay. Thank you, Mr. Minister. When I look over the list, the salaries range quite a bit. Would the higher-paid salaries be also in the class of pasture riders or ferry operators, or would they be more administrative staff?

Hon. Mr. Cunningham: — The higher ranges are in the professional classes. As a general rule, the higher ranges would be agrologists, or land agrologists, and that sort of thing rather than seasonal employees.

Mr. D'Autremont: — Would it be safe to assume that those at the lower end of the pay scales would be the seasonal employees?

Hon. Mr. Cunningham: — No. It would depend on the classification. There may be permanent employees who have lower salary ranges than some of the temporary ones, depending on their classification.

Mr. D'Autremont: — Okay, Mr. Minister, there are a few positions on here where they have starting dates, dates they were hired, but there's no name beside them. And then below them in a number of cases there's a term, encumbering job. What does that mean?

Hon. Mr. Cunningham: — Those are . . . Sometimes when we have permanent employees who are not available, we hire somebody on a temporary basis to fill that position. That's called an encumbered job because it's only temporary until the permanent person is available for the position again.

Mr. D'Autremont: — Well for what period of time would these jobs be classified as encumbering jobs? Would it just be for a one-month period, or a three-month period, or could it be an extended period of time? Could you be looking at potentially a year or longer for these part-time positions?

Hon. Mr. Cunningham: — In addition to the situation I described, those positions could also be where the permanent employee quits or retires, or whatever, and we fill them on a temporary basis. So until we get the permanent employee, the position filled, or for an example if somebody's away on a maternity leave, then

it's encumbered until that person comes back or until we fill the position. And in many cases, if that is a position that we need to fill permanently, the temporary person may well have the opportunity to apply for the permanent position.

Mr. D'Autremont: — Well, Mr. Minister, I can understand keeping the position open in the case of a maternity leave. But when the position is open for an extended period of time for other reasons, is it not incumbent on you and your department to fill that position with a permanent employee after some period of time? It's very well to hire a temporary employee initially while a search is perhaps in place to find an employee. But at some point in time, Mr. Minister, is it not proper to fill that position with a permanent employee, rather than simply carrying on a temporary employee?

Hon. Mr. Cunningham: — There is a time limit on it. Two years is the longest that we can do it. We try to do those on a very short-term basis. I agree with the member that it is incumbent on us to fill them as soon as we possibly can. And generally, we try to do that.

Mr. D'Autremont: — Thank you, Mr. Minister. On the list here you have locations, and all locations are under code abbreviations of the names. I wonder if you could also give us, when you're giving us the other information, what some of these codes mean. I'm looking at MCD. I think it's MCD. It could be MOD C. And to me that means nothing. I wonder if you could supply us with information to interpret these abbreviations that you have.

Hon. Mr. Cunningham: — Yes, we can do that. Just the computer print-outs to keep them on a nice, neat line. We can fill out those names for you.

Mr. D'Autremont: — Thank you, Mr. Minister.

I'd like to go on to a different topic now, concerning wildlife lands and how Rural Development treats them in dealing with the RMs. And I have a letter here from an RM in my constituency.

We have been notified that lands within our municipality may be designated as critical wildlife habitat. These lands are . . . (And they go on to list about 8 or 9 quarters.) Council are opposed to these lands being taken for wildlife. We understand that 30 quarters have been purchased along the Moose Creek and Alameda dam for wildlife. Why then do we have to donate more of our taxable land to wildlife?

This concern has been ongoing in that area for quite a while, Mr. Minister, because of the Alameda dam project. And because of mitigation involved in that project, a fair amount of land — 30 quarters — was picked up as wildlife mitigation land. Because it's wildlife land now, the RM does not receive any tax monies for that and they are very interested in receiving grants in lieu.

Not only is this RM interested in receiving grants in lieu for any wildlife lands within their tax area, but a number of the other RMs in my constituency are also concerned about the various pieces of wildlife land — it's designated

wildlife land, it may be owned by lands branch — around the area that they do not receive grants in lieu of.

Mr. Minister, can you make any comments on that and will you be prepared to provide grants in lieu for those wildlife lands within the RM tax base?

Hon. Mr. Cunningham: — All the land that's designated under critical wildlife pays taxes to the RMs. It's treated no differently to the RMs than any other leased land. It's not taken for wildlife, it's used for grazing and just maintained in some natural state so that wildlife can co-exist there.

The lands that are purchased on the fish and game development fund, the municipalities get grants in lieu of taxes for that. The only land that I'm not sure about is the 30 quarters that was purchased for mitigation in the Alameda area and I will check into that on whether or not there are grants in lieu of taxes for that land.

Mr. D'Autremont: — Okay, thank you, Mr. Minister. Does your department, the Rural Development, through lands branch, own the land surrounding the Alameda project there, those 30 quarters? Is that property held by your land, by your department, excuse me?

Hon. Mr. Cunningham: — That land is presently held by Souris Basin Development Authority and may well be transferred to either lands branch or more likely to Natural Resources when SBDA (Souris Basin Development Authority) is wound down some time later this year.

Mr. D'Autremont: — And at that time, Mr. Minister, or perhaps even currently because the municipalities may not be receiving any tax money off of that 30 quarters or any grants in lieu, will they then be receiving a grant in lieu for those 30 quarters?

Hon. Mr. Cunningham: — I think it's somewhat uncertain as to how that land will be treated. If it's put into a natural resource and treated as a park, there may well not be grants in lieu of taxes if it's indeed used by . . . transferred to Rural Development. It probably would be. I think that's something that we need to talk about with the RMs about, with the local people, as we work to get a lands-use policy around that.

And I think we need to look at the possibility of, at some time in the future, possibly doing the same sort of thing we do with critical wildlife land, is that it may well be that we can sustain some agriculture and grazing or haying on the same land and thereby get some agricultural use out of this land at some point and then have taxes raised by lessee. So I think again I'm not aware of what the current situation is, and the future of that project is still somewhere up in the air, still controlled by SBDA. I would be unable to give a commitment as to exactly what the future of that land will be.

Mr. D'Autremont: — Well, Mr. Minister, you anticipated my next question when it comes time to talk about use of that land. In talking with the RM council in that area, they are very concerned about having that land indeed used for some purpose rather than leaving it sit there without

doing anything with it — simply calling it wildlife land. If I look around the various pieces of wildlife land that we do have in our constituency, what's happened to it is — because it's not being used, it's not being grazed — it becomes more or less a one species, one grass type developed becomes dominant throughout the whole piece of land. And you actually end up with very little wildlife living on those pieces of land.

I was discussing with the grass specialists, with the stock growers' association this very issue and that studies that he has done have proven that that if you leave a piece of land without utilizing it, without having hoof action on it, without breaking up the sod through the use of animals on it, you do develop a system where you have one grass type growing on it and nothing else grows. You don't have a diverse ecology on the piece of land. You have one-species land.

And so the 30 quarters that is in the Alameda area does have a very diverse ecology on it. And if you don't utilize that land in some manner, either haying it or using it for grazing land, then you will develop an area where the wildlife itself will not utilize that piece of land.

So I would really encourage you to take that land into the lands branch rather than going to Natural Resources. If Natural Resources is not prepared to have that land utilized for agriculture in some means, then I think it should be in the lands branch area.

And that is the feeling of the RM in the area. They feel that that land should be used for agriculture in some way or manner. And then the lease payments, either the sale of hay or the grazing lease payments, could then be used as taxes in lieu, if they could receive a portion of that commensurate with what the tax would have been paid on that piece of land under private ownership.

Mr. Minister, will you make a commitment here today to try and seek that land for lands branch to use it in some sort of agricultural purpose, either as hay land or grazing land, and perhaps the lease payments or a grant in lieu from the department to compensate those RMs (rural municipality) for that loss?

Hon. Mr. Cunningham: — We'll certainly commit to taking the member's suggestions into consideration. I think we have to remember that with our licence to build a dam, we have some legal obligations to mitigate wildlife. And we are now planting some trees. And I don't know what our specific legal obligations are in whether or not it may be possible to get multiple uses out of this land.

I think . . . I certainly take the suggestion to heart. I think that's the way that we use our critical wildlife land. We set aside land just . . . and the only restriction on it is that we don't sell it or allow wholesale clearing or breaking on it. And it has worked very well over the period since 1984 when it was brought in. It allows the continued agricultural use, keeps . . . has a productive value for agriculture and at the same time, as you have pointed out, does a very good job of maintaining a wildlife population. So certainly the suggestion is well taken.

Mr. D'Autremont: — Thank you, Mr. Minister. Mr. Minister, in your department do you have anyone who is a grassland specialist? Not a specialist in crop production, but somebody who specializes in grasses rather than in wildlife?

Hon. Mr. Cunningham: — We have in our department four range-land management specialists.

Mr. D'Autremont: — And those specialists would be . . . their specialty would be grasses, would it not?

Hon. Mr. Cunningham: — That is correct.

Mr. D'Autremont: — Thank you, Mr. Minister. I would hope, in the planning the . . . where this 30 quarters of land will be placed, either in parkland or in lands branch development, that you would consult with these people as to the effects of not utilizing this land for agriculture, just simply leaving it in one block for wildlife. And I believe that it will create a serious problem in the whole area if that does happen.

Mr. Minister, the other lands that are owned by lands branch throughout the province that are designated as wildlife lands, are you paying grants in lieu on those properties now?

Hon. Mr. Cunningham: — Those lands are taxed as are all our lease lands are . . . The lessee pays the tax on the land. So the RMs . . . They're taxed the same as any other land in the RM.

Mr. D'Autremont: — Well, Mr. Minister, perhaps I'm thinking of the wrong type of land. What I'm thinking of here is land that is not used for any agricultural purposes under most circumstances. There is the odd time some grazing leases on those lands, but in a lot of cases there isn't. And perhaps I'm in the wrong department here. I'm not sure.

Hon. Mr. Cunningham: — I think what you're referring to is the fish and wildlife development fund lands. There is part of hunters' licence fees that are set aside to purchase land. We purchase those with consultation with the Wildlife Federation, and those lands are indeed, as you say, often not used for agriculture. Those lands we pay grants in lieu of taxes on.

(2230)

Mr. D'Autremont: — Well, Mr. Minister, we have a few pieces of land like that around our area. And when you travel through that land, if you walk through there in the fall you would normally consider this to be hunting territory. But there's very few deer in that area because it's the wrong type of grasses. It's the wrong type of habitat that has developed there because no one is using that land. And I would believe on those lands also that it would be very worthwhile if you would allow grazing leases on that. Will you give some consideration to that, Mr. Minister?

Hon. Mr. Cunningham: — Again, we will consider those. Those lands are held by Natural Resources. But I guess you may have the wrong department; you have the right

minister so I can answer that. We have biologists who, of course, watch that. We're concerned about not only game animals but birds and others as well. And certainly I think we do have, as you say, grazing leases. We use them sparingly but if there is a benefit to agricultural use, and as you say, at times they can actually enhance the wildlife potential of it, we'll certainly take those into consideration.

Mr. D'Autremont: — Well, Mr. Minister, when you walk through these pieces of land, the ground cover is so thick, the grass is so thick, that there are very few of the ground-dwelling animals that live within those pieces of property. Basically it's only the mice that live on the ground underneath the grasses, that are left there. Most of the other animals avoid these places. The deer hardly ever travel through them.

Mr. Minister, when you're handling lands branch lands, what is the procedures that a client would have to go through to acquire a lease?

Hon. Mr. Cunningham: — That is the process, you apply for a lease of land that's available. It's the same process that I just described to your colleague whereby you make an application form; there's a point system based on age and distance and so on, and you acquire the land in that manner.

Mr. D'Autremont: — Mr. Minister, once you have that lease in place, would it be a normal practice that if you wish to maintain the lease, that you would be allowed to renew it every year or every three years or whatever the term of the lease was for?

Hon. Mr. Cunningham: — Yes. The standard lease that we give is a 33-year lease. So unless it's a situation where we have land that's temporarily vacant and we don't have time to advertise or, I think in the past, land that has been temporarily held to be put up for auction, for sale, was leased on a short-term, one-year contract. And then that was tendered and probably re-tendered each year. But once we do permanent leases, they're normally 33 years in duration.

Mr. D'Autremont: — So anyone who held a short-term lease, as a year, that would normally be land that you would be prepared to move in some manner or another — you're planning on selling it or you're planning on changing the manner in which it is being handled. You could be switching it from grassland to grain land or vice versa or something like that, you mean, Mr. Minister?

Hon. Mr. Cunningham: — Yes, that is correct. The example in point, case in point, was the case that your colleague made with Mr. Oster's land whereby a lease is let go close to seeding time or close to spring, and there isn't time to tender the land and to find lessees and go through the process or whatever. For whatever reason that we have some land that's not in a long-term lease and we need to look after it in some way for a year, then we tender it out on a one-year basis.

Mr. D'Autremont: — Mr. Minister, if in the case of a piece of property that a client had been leasing on a one-year basis, and that client wished to retain the lease

on a longer term, would it be possible for him to approach the department to gain a longer-term lease?

Hon. Mr. Cunningham: — No. In a case that we wanted to have a longer-term lease, then we would have to post it. The short-term lessee would certainly be eligible to apply, but he would have to apply through a competition and go through the same point system as anybody else in order to get it.

Mr. D'Autremont: — Mr. Minister, under what circumstances would you normally sell land? Why would you dispose of lands branch property?

Hon. Mr. Cunningham: — Any Crown land that's not under some restriction such as critical wildlife is available for sale at any time if the lessee applies to buy it, gets it appraised, and we'll sell it. And as I say, we're reviewing that policy. The rent-to-own is not being used at the present time but we are reviewing our whole land-sale policy. But basically any land that doesn't have a restriction on it, if a lessee applies to buy it and has it appraised, it is for sale.

Mr. D'Autremont: — Well, Mr. Minister, I'm thinking of a piece of property down at Kisbey which is hay land. There are three farmers leasing the quarter section of land. They each have a block of it. As far as I know those three farmers would like to continue leasing it, continue using it as hay land.

They have been leasing it now for a couple or three years as hay land, but they've been informed that the land will now be put up for sale next year. And I'm just wondering why the department is selling this particular piece of property at Kisbey.

Hon. Mr. Cunningham: — I'm not sure on that particular case. I have a case in mind; I'm not sure if this is the same one. There was some fish and wildlife development land that was bought for a project to raise ducks on. It was low land that was going to have a Ducks Unlimited project or some such thing on it. The land had dried up, and therefore the fish and wildlife development fund wants to sell that land.

That's a particular case which is not Rural Development land, not lands branch land. Now if you give me the particulars of that particular situation, I can look into it, but it may be something along those lines.

Mr. D'Autremont: — Well, Mr. Minister, I think you may know the piece of land from your description because it was indeed purchased. It has been, at some point in the past, a fairly large slough. And the farmer had broken it up and was cultivating at least a portion of it, and it was expected that at some point in time water would again arrive in Saskatchewan, and this piece of land would fill up and become a slough again for duck use.

That has not happened. A few years ago it was seeded down to grass, and one of the farmers that seeded it to grass has a piece of the lease along with two other farmers in the area. Now I'm told that the original owner of the land who sold it back in about 1980 or '81 would now like to repurchase the land. And he has been inquiring

about such and has contacted your office about trying to buy it back.

There was thoughts at one point in time that he would get the grass lease this spring. The farmers who have had the grass lease for a few years told me that they normally would get this lease set up by at least mid-June, so they could start planning whether they were going to have any hay off of that land at all.

What happened this year, is they were pushed back into July before a decision was made whether or not to lease them the land so that it was very late for them. In fact, one farmer went out and leased other land because he didn't know whether or not he was going to have access to this piece of property that he'd been getting hay off of before.

So the individual who had owned the land previously, I believe, Mr. Minister, is putting pressure on you to sell that land so he can re-acquire it again, to open it up for tenders. Is that indeed what is happening in this particular case?

Hon. Mr. Cunningham: — I think, without having the details for the case and run the risk of confusing it with some other situation, I believe this is fish and wildlife development fund land which has nothing to do with the particular department. But again, you do have the right minister.

I believe fish and wildlife development fund does not want to hold any agricultural land — again that's money that comes from hunters' licence fees and is administered jointly with the Wildlife Federation. So this is a particular case where they bought land for a purpose which is no longer suited and they want to sell it and buy other land. So that particular case — and I believe, if I'm not mistaken, it is the same case — probably that land will be tendered for sale within the coming year.

Mr. D'Autremont: — Well, thank you, Mr. Minister. In one way, I'm sorry to hear that because of the pressure being put on you by this particular individual, who is well-known within your political party, to indeed get . . . again gain access to this land, whereas the other farmers in the area were quite happy with the arrangement. Three farmers had access to this property to cut the hay on it, whereas I'm not sure what this particular farmer now wants the access for, why he wants it. I don't know that they run cattle or not.

But it seems to be political pressure, Mr. Minister, to dispose of this land, rather than perhaps in the best interests of the fish and wildlife lands. Because at some point in time, water will again be in that slough, and it will be suited only for the raising of ducks. And I would encourage the fish and wildlife people who are administering this land to seriously think about this before they do dispose of this land.

Now, Mr. Minister, you mention that there are 52 rural service centres around this province. Can you . . . Will you make a commitment tonight that those 52 rural service centres will continue to operate in the foreseeable future in this province.

Hon. Mr. Cunningham: — The foreseeable future is a fairly long time. I've said earlier tonight that we have no plans to close service centres in the . . . at this time. There certainly . . . Given the budgetary restraints we are at, and the shifting populations and so on, in rural Saskatchewan, I think it would be foolhardy to make a commitment that we would not close any rural service centres. Certainly there are no plans at the present time to do so.

Mr. D'Autremont: — Well, Mr. Minister, I am informed that one of my colleagues wishes to pursue the rural service centre issue with you. So I'll go on to another issue — bull purchases for lands branch lands. Would you mind explaining what the policy is now on that program?

Hon. Mr. Cunningham: — The current policy, as I've, I think, pointed out in the House before, is that we were caught in a bit of a bind because the previous administration slashed completely the money for bulls from the budget and left us in a bit of a bind. We are, again, reviewing that policy. We have a questionnaire out this fall to patrons. We find some community pastures where the patrons prefer to buy their own bulls; we have other community pastures where the patrons prefer government bulls. I think we've done a very good job in the past of supplying bulls.

We raised the breeding fees this spring to come closer to cost recovery, and I think that has given some pastures pause to reconsider whether or not they can more economically purchase their own bulls. And so I guess where we're at with the policy is we're reviewing it for talking to patrons this fall, and we will in one way or another have bulls in community pastures for the next season.

Mr. D'Autremont: — Well, Mr. Minister, I think the program to purchase bulls for community pastures was a very important program because what it allowed was those farmers who did not wish to purchase a bull for their own particular use, especially those that were running small herds, to have access to animals and, under the previous program, animals of good quality because they were good-quality bulls that were being purchased.

Now what can happen is you can have X number of farmers putting their animals into a pasture and they may be putting in the proper number of bulls, but there's no guarantees that those bulls are going to be all of the same quality. You may have somebody purchasing a \$500 bull and somebody purchasing a \$5,000 bull. Now that's a bit of an extreme example, but you can have that kind of a spread in there between the qualities of the bulls being purchased and put into those pastures.

Once the animals are in the pastures, there's no guarantee which bull will service which cow. So the person who put in the high-priced bull may actually not be receiving the benefit of that animal. So, Mr. Minister, I think it was a worthwhile program to have the government purchase bulls within the pastures. Mr. Minister, when a bull had been in that pasture for a period of time, was it transferred to another pasture or was it disposed of in some manner?

(2245)

Hon. Mr. Cunningham: — I agree that purchasing bulls was a good program or at least a reasonably good program. I would like to point out that when the members opposite were in power, they reduced the number of government bulls to about half. We're now at about 700 government-owned bulls and 900 patron bulls.

As to the rotating of bulls, one bull feeding station services several pastures, so by just switching the bulls around at the bull station, they're able to keep bulls for five or six years as a useful life of a bull. And with the culling and so on, that hasn't been a problem.

Mr. D'Autremont: — Well, Mr. Minister, under the previous program, what would have been the cost recovery for breeding fees and then for sale of the animal at the end of its useful life? And what would the same cost recovery be under the method you're presently using?

Hon. Mr. Cunningham: — We don't have exact cost centres around bull purchases. My department estimates that something like 44 or \$45 per cow that it costs the department to purchase bulls. The breeding fees that we charge now are \$35, and so, you know, that leaves a small shortfall of costs, but it certainly is not a costly program in terms of the government because we cover a large portion of our costs from it.

The question then becomes whether patrons think that they can provide the services either through bringing their own bulls or having a bull committee hire somebody to purchase good-quality bulls from or whatever. They may indeed be able to do it cheaper and they may like the quality of bulls that they can do better and so on.

So there are advantages and disadvantages to both sides. Again we're not trying to force one or the other on patrons. I think we will, with the questionnaire we do this fall and with talking to patron bodies, we will try to determine what the wish of the patrons are.

Mr. Toth: — Thank you, Mr. Chairman. Mr. Minister, I understand my colleague from Arm River did get into a few questions on the amount of leased land that is administered by the Department of Natural Resources. And he also got into a few questions regarding the farm purchase program. I'm wondering how many acres of land actually sold under the lease-to-own or the rent-to-own program?

Hon. Mr. Cunningham: — The grazing leases, there was 127,000 acres sold; cultivated leases, 12,000 acres sold; and former land bank leases, 35,000 acres for a total of 174,000 acres and a value of \$17.5 million.

Mr. Toth: — Of those acres, how many farm units would this have involved?

Hon. Mr. Cunningham: — We don't have that number here. We can get it for you tomorrow. I would, just a wild guess would probably be in the 500 range.

Mr. Toth: — Now, Mr. Minister, we're all aware of the fact that following the election there was a decision made by new, present government regarding the rent-to-own program. There also were a number of individuals who

did have projects approved. And in some cases, some money had changed hands or a cheque had been sent, a deposit or down payment regarding the rent-to-own program. And I'm just wondering, Mr. Minister, did the department honour all the commitments they had made to farmers at that time even though they had decided to discontinue the program? Or the government, did they make a commitment to those that they already had in progress? Or were there any farmers who were left out in the cold?

Hon. Mr. Cunningham: — I think I answered this question earlier but we honoured all the commitments. All the contracts were honoured. The sort of line we drew was that if an appraisal had been done or money had been paid to do an appraisal, even though there was no contract yet signed, we considered those to be in progress and we completed those sales.

Mr. Toth: — Well, Mr. Minister, it's obvious that a number of farmers felt that the program was an appropriate way for them to establish or re-establish a farm base. And certainly people across Saskatchewan are quite individualistic and would like to run their own farm versus continually lease all the land that they presently farm.

And you indicated before that the government is basically reviewing the program. I'm wondering where the government stands today. Whether . . . if there's any kind of a commitment or whether you as a minister would take a serious look at maybe a similar form of program. Or if indeed, how many inquiries have come since the program has been cancelled, from people who were sitting back . . . and I know I've had people call my office asking if the program is going to be reintroduced.

Hon. Mr. Cunningham: — As we've said earlier, we are reviewing it. I think we may well come up with a similar sort of plan, I think. Some of the objections we had to lease to own were not philosophical objections; they were technical ones. The Department of Justice was questioning whether they were legal contracts. There was no interest rate in it as such. It was a program whereby the lessee continued to pay his lease and principal only, and over a 20-year period.

And as a new government we naturally wanted to review some of our land policies, and that one was just frozen until we have a chance to review it and it may well be replaced with something similar.

Mr. Toth: — Well, Mr. Minister, I would just encourage you to indeed pursue this matter. And certainly I'm sure there are other options that can be looked at and I would encourage you to do that.

Another question and this comes in light of the fact that, Mr. Minister, yes you indicated you are wearing two hats tonight, other than the fact that we're with Rural Development. Another issue that is before us right now and certainly I understand some department officials from Parks will be meeting with people who have a definite interest in The Critical Wildlife Habitat Act.

How many acres of the land that is presently assigned or

scheduled to go under the critical wildlife Act is actual Rural Development land? How many acres and is that land being transferred to the responsibility of Parks and Renewable Resources?

Hon. Mr. Cunningham: — There's 1.5 million acres which is all Rural Development land. It will all stay Rural Development land. None of it will be transferred anywhere. There's 2.5 million acres that's been in there since 1984 or some was in '84 and some '86 and '88 and down the line and this land will continue to be treated in the same way.

Mr. Toth: — So what you're saying then is just that the land falls under the parameters of The Critical Wildlife Habitat Act which restricts the breaking up of the land or indeed changing the use of the land unless it gets ministerial approval.

I think, Mr. Minister, one of the major concerns certainly that the stock growers have was the fact that they perceived that once this land went under the Act that it immediately fell into the parameters of Parks and Renewable Resources. And there are many producers out there who then felt they would be dealing with two departments.

They'd have some land that they'd be leasing which would be under Rural Development, some land that would be under Parks and they felt it would be very inappropriate and not an efficient way of dealing with their land leases. And so I think the fact that you've indicated that land continues to stay under the control of Rural Development, that Rural Development is going to administer that land and collect the leases on it and draw up the leases or whatever, is something that the stock growers will certainly be glad to hear about.

Mr. Minister, I just want to mention as well. We've been discussing a few questions regarding the meeting tomorrow and later on. Just before you leave, I'll just send some information over so that you can be kind of brought up to date on some of the discussions we've had.

Another area Rural Development is involved in is in ferry service in this province. I'm wondering, Mr. Minister, how many ferries continue to operate in the province at this time?

Hon. Mr. Cunningham: — Thirteen ferries operating right now in the province.

Mr. Toth: — And all the ferry service in the province falls under the role of Rural Development?

Hon. Mr. Cunningham: — That's correct.

Mr. Toth: — What's the cost to the department to operate these ferries, Mr. Minister?

Hon. Mr. Cunningham: — The cost to operating ferries is shown on page 75; it's \$1.29 million.

Mr. Toth: — I guess I was looking at another brochure. Supplementary estimates and we have . . . are these . . . on page 11 of the Supplementary Estimates, 1991, indicates

that there's an additional amounts provided for ferries of \$71,000. Is that . . . are you looking for additional funds needed to maintain the ferry service? Or what amount are we looking at over here?

Hon. Mr. Cunningham: — That amount is part of the '91-92 budget that was covered by a special warrant. It was part of the budget. We had two appropriation Bills under special warrants somehow last year. It's part of the '91-92 budget.

The committee reported progress.

The Assembly adjourned at 11 p.m.