

## EVENING SITTING

## COMMITTEE OF THE WHOLE

**Bill No. 54 — An Act to amend The Farm Financial Stability Act (No. 2)**

**The Chair:** — Order, order. Order. The business before the committee is consideration of Bill 54, the Farm Financial Stability Amendment Act (No. 2).

**Clause 1**

**Mr. Muirhead:** — Thank you, Mr. Chairman. Mr. Minister, I'd just like . . . The first question I'd like to ask you why, what in your own words, why did you dissolve counselling assistance — the department or the organization or whatever?

**Hon. Mr. Wiens:** — Mr. Chairman, as the member opposite may be aware, the Farm Debt Advisory Committee met with a . . . The committee was a broad representation of people who brought forward a balanced package of items with respect to dealing with farm debt in Saskatchewan. And it was their recommendation that the money that was being spent in CAFF (counselling and assistance for farmers program) could be more wisely spent through a different mechanism. And so in a balanced package of debt resolution matters, one of the things they recommended was a dissolution of the counselling assistance for farmers program and some changes in farm security legislation that allowed access to credit through the existing financial system with their lenders.

And it was that rationale that, in balance, this was a more appropriate expenditure of public funds. It was in the balance with the leaseback program and the use of some of those funds for compensation for leases in the last four years.

**Mr. Muirhead:** — Mr. Chairman, Mr. Minister, yes when you form government you have your right to do these things. And I just want it on the record that I was . . . over all the years that the farm counselling assistance program was there that it had a great use for farmers. Many, many farmers had a lot of help. And I know that a lot of people that got their guarantees or operating money, they couldn't have got it any other way. And it was . . . when a lot of people took that money out, they didn't know that things were going to get that bad, and it got to be naturally a serious thing.

But the one thing I'm concerned about, Mr. Minister, is the counselling aspect. Let's not talk about the big guarantees and the shortfalls to the bank. Where are you going to have a mechanism some place in government to at least counsel these farmers? Because I was quite involved with the counselling assistance people and the people there.

And I often thought that sometimes the best part of that department was a panel sitting down with a farmer and maybe directing them to not borrow any money, not to get themselves more in debt. Because I've always was of

the feeling borrowing yourself out of debt is what a lot of our farmers did, thinking they were doing the right thing when they took the money. But the way things went in the economy, naturally we're into a much more serious situation than when counselling assistance first started.

So I'd just like you in here to tell me, Mr. Minister, where are farmers going to get that counselling, that panel . . . You talked about a panel here today that's going to decide on maybe their future of whether they can become under this lease program or not. Where is there some kind of a panel of a counsel set up and train people to deal with these here people that need counselling?

**Hon. Mr. Wiens:** — Well, Mr. Chairman, it may depend on what the nature is of the counselling that farmers require. Certainly the financial management specialists within the department are trained and ideal. There have been a variety of institutions that have been implemented through the department, some with federal assistance, some independently for management training for farmers to look at the financial management of their enterprises.

As the member opposite is aware in this spring's budget we brought the extension services back in to agriculture to give arms and legs to the specialists that are in the department. And we will be engaging in a full review of the department before long and looking at the role of extension and the role of some of these other pieces.

And if there are any specialized functions that ought to be considered in that process, I would appreciate the advice of the member opposite in that regard because clearly it's the intent of the department to serve farmers both in the production and the management and the marketing end and to the extent possible the support to their operations as you request.

**Mr. Muirhead:** — Thank you, Mr. Minister. Mr. Chairman, Mr. Minister, I appreciate your words, but I'd like to have a firm commitment that some place in government there'll be something set up to replace the counselling. Just not to come up and say that you're looking at it, and you think that the people in the Department of Agriculture are doing a great job. They're busy in their particular departments. They're busy now. I've watched them for 10 years, and I didn't find too many people in Department of Agriculture that aren't right to capacity now.

We need a place where it's advertised to farmers in problems where they can come and expect some counselling. I think that's very, very important. That was the mandate of counselling and assistance, was counselling. And if the system wasn't going to help, then they moved on from there even though maybe it turned that some of that extra assistance wasn't the best thing because we didn't know that the economy was going to get as bad as it did.

I just could . . . We're not going to spend much time on this, Mr. Minister, because I've just got a couple of questions to ask, because we can . . . what we don't get happen in this . . . ask in this Bill here, now these two Bills that's before us now, I understand that the member from

Morse put them together. We talked about them both and we can talk more about them in your estimates later on.

But I'd just like your firm commitment that there'll be something set up some place in government where it's advertised that you can go to them for some counselling, some help. Because I know I've dealt with so many farmers and farm families that the biggest disaster out there is the person with the level head and he's been doing his business well but once that disaster strikes home, sometime they can't think and do the right thing. They need some counselling, just some commitment what you maybe could do here.

**Hon. Mr. Wiens:** — Mr. Chairman, as I had said in my earlier answer, there were a number of initiatives within the government — some federally shared — the Agricultural Institute of Management of Saskatchewan is a joint federal-provincial program through which some consultations of the nature of those you've described can be carried forward.

As you're aware, the stress line was set up last winter to provide a contact point. Now it's had some growing pains. And we believe it has a good, strong, basic function. I know at the conference on agriculture health that was held, there were criticisms of the program and some suggestions for improvement.

One of the pieces within the model is to involve community networks in the model, so there is room for growth in the personal counselling through the things that will evolve from the stress line as well.

I appreciate your concern and I appreciate the need for it. We'll be pursuing that through a number of initiatives in the department.

**Mr. Muirhead:** — Thank you, Mr. Minister. I won't further any more questions on that. We can always talk about that again. I just leave that message with you. Let's see, cancelling the counselling assistance program — you don't hear that on the street from farmers like you did the GRIP program because the GRIP program, we've been through all that and we're not going to get into that.

So the last question I want to ask you, Mr. Minister, on the amalgamation of . . . or else taking all the files and turning them over to ACS (Agricultural Credit Corporation of Saskatchewan). I see a problem creating . . . I'm only hearing this from constituents, and perhaps you can clarify it for me because maybe it's not an issue but the farmers that I've been dealing with so far think it is an issue.

I want to just leave you the one example. An individual, his loan has been called in from counselling assistance, so the bank has called the loan in and counselling assistance paid out the bank. And so he's left owing CAFF the money. He's left owing the money. We'll just use the figure, a good example is \$50,000. He owes that money.

So in good faith, he did what he was supposed to do. He goes in and they sign a note and instead of having the judgement against him he has maybe over 15 years at 5 per cent to pay this off. It's all in place and he's making his

payments. Now that ends over in ACS. And the individual — and I'm not talking about a specific individual, I'm just using an example of a hypothetical name here — this individual could be at ACS, and he could be in terrible shape there. And there is a coming to a closure point there where they're finalizing his problems.

And so here they dump the counselling assistance bill on top of it and they're trying to deal with it altogether when he was sitting in good shape finalizing this that may be so much here for 15 years or sometimes or even 20 years. So I see a problem unless your department can give me a different answer that this overlap of going in there instead of having . . . we'll use \$50,000 he owes counselling assistance; he may owe a couple hundred thousand at CAFF. And the one on top of the other makes it almost impossible for this person to try to . . . some of them are at their boards, and trying to come up with some way to solve this here dilemma he's in.

**Hon. Mr. Wiens:** — Mr. Chairman, I appreciate the points being made. I think, depending on how this case evolves for the farmer, the fact is that when things . . . when the collective debt bill gets serious and the . . . it doesn't matter, I believe, whether one piece is at one institution and two other pieces are at another, the collective load will eventually weigh down a farmer to the point of needing to address the debt question.

And when the point for addressing debt came about previously, then everybody was around the same table anyway, and they needed to shake it out and make the necessary adjustments collectively.

Hopefully within the new process there will be some measure of stability in the leasing program where land is involved, and other matters can be ironed out through the regular debt process as it has happened before through joint action of those indebted. And there may actually be some value in having it all in one hand, in one place.

The down side of all of this, is that ACS has a number of programs within its mandate that end up requiring write-offs, and so it's a difficulty for that institution as well. But I think the collective load is not different for the farmer if it's all in one place, nor is the collective solution more expensive for government to have it all in one place.

**Mr. Muirhead:** — Mr. Chairman, Mr. Minister, but I'm not sure you got my point. My point is that farmer A — we'll call him farmer A — he has got creditors all over to deal with. He is dealing with Farm Credit; he could be dealing with a bank; he could be dealing with a credit union; he could have debts coming out of his ears. And he's trying to settle one after the other here. And maybe he's down to getting these things in order. So he's made his deal with CAFF, and it's in place, and he's paying X amount of dollars and cents per year, for so many years, and that debt is out of his way as long as he keeps up his payment. But at ACS in most cases it's much different because many of the counselling-assisted ones, there's no collateral. A lot of them are operating money with just no collateral. In some cases, they take over a one seventy-eight . . . (inaudible) . . .

There's a certain percentage that don't have any

collateral at all. The farmer's got nothing, but he's honourably settled that one. So at ACS he's not maybe too bad there either if he can just work it out, because he's only got what he's worth and that's it, and The Exemptions Act sometimes leaves him machinery so he can kind of keep on. All I'm saying is, it's causing confusion for that at Farm Debt Review Board and in the lawyers' offices . . . are just dealing one on one, whatever. It's causing confusion because it's dumped the two together.

(1915)

Is there some way that, when that account . . . I understand they've been dealing with them and trying all summer to make some of these settlements, and legally, till this Bill is passed, they weren't even able to take . . . accept proposals. Because it isn't legally there yet. And so it's caused a real confusion by dumping the two together.

Is there some way, Mr. Minister, that the counselling assistance, as taken over by ACS, can be a separate account, and then you're dealing with ACS and what you already owed from them? That should be the same thing exactly where you owed money to the Bank of Montreal, and you owed over here to the credit union, and then they amalgamated together. But you'd be dealing with each debt. One may be a car over here, or a truck, and the other one over here could be his land. I'm just saying, is there some way that it can be kept so it doesn't confuse the issues for settlements?

**Hon. Mr. Wiens:** — If I understand the question correctly, the account will be kept separate in the same fashion it was negotiated, so it will not be rolled in with the other accounts. It will be the CAFF account over in ACS as that account; he would continue to have his production loan in another account; and possibly his livestock cash advance in another or his farm purchase program loan in another. So it is in that sense still a distinct loan.

**Mr. Muirhead:** — Okay. That's what I was trying to get from you and I appreciate that. That's fine. Now I say when it comes to settling, the one has been settled with counselling assistance, the other one hasn't been. Just so it doesn't confuse when they get to settling because the request I've been getting from the people now — and I may have it wrong, but I'm going by what they're saying — that it's being dumped into the pot together when it comes to settle.

If there's some way that they've already settled here and they got to settle over here, if they'd not put those too much. I'm not going to ask you any more questions on it because I think you understand what I'm saying.

**Hon. Mr. Wiens:** — And I won't respond at length other than to say, at the point where there is a settlement, even with the previous arrangement, with CAFF where you may have negotiated a repayment term, when it came down to resolution of a whole farm debt crisis, then they would come together around the Farm Land Security Board table or the Farm Debt Review Board table at any rate, so I think there won't be too much difference in it.

**Mr. Martens:** — Thank you, Mr. Chairman. I just have

one question on the way the settlements are made. And let's say, are you going to take the guarantees against the guarantee on the CAFF side and leave. . . let's say it was a production loan where there's money in reserve for write-downs and interest reduction. Can you give us the assurance that they're going to be still kept separate? Is that going to be rolled into one as the member was saying, or is it going to be held separate because it's a different guarantee process?

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, the administration of the funds will be separate with the guarantees as they were previously, so that whatever security was present in each case will continue to be identified as it was for those separate accounts.

**Mr. Martens:** — Have you got a figure on the volume of dollars of guarantee that you have on hand in CAFF at this point?

**Hon. Mr. Wiens:** — Presently there are about 750 clients that are being transferred with active guarantees, and that represents about \$35 million in guarantees.

Clause 1 agreed to.

Clauses 2 to 8 inclusive agreed to.

The committee agreed to report the Bill.

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

Clauses 1 to 11 inclusive agreed to.

The committee agreed to report the Bill.

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

Clauses 1 to 8 inclusive agreed to.

The committee agreed to report the Bill.

### **THIRD READINGS**

#### **Bill No. 57 — An Act to amend The Saskatchewan Farm Security Act**

**Hon. Mr. Wiens:** — I move the amendments be now read the first and second time.

Motion agreed to.

**Hon. Mr. Wiens:** — By leave of the Assembly, I move that the Bill be now read the third time and passed under its title.

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

#### **Bill No. 54 — An Act to amend The Farm Financial Stability Act (No. 2)**

**Hon. Mr. Wiens:** — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

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

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

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

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

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

**Hon. Mr. Wiens:** — Mr. Speaker, I move that this Bill be now read the third time and passed under its title.

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

(1930)

**COMMITTEE OF FINANCE**

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

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

**Hon. Mr. Wiens:** — Thank you very much, Mr. Chairman. On my right is Stuart Kramer, the deputy minister of Agriculture and Food. And behind him is Ross Johnson, the acting director of the administrative services branch. On the deputy's right is Terry Scott, the director of the economics branch. And on my left is Norm Ballagh, the president of the Ag Credit Corporation.

**Item 1**

**Mr. Martens:** — I'm going to, Mr. Chairman and Mr. Minister, just go through a number of the items in the department that I think I'd like to have some responses on, and I have a number of them.

I want to ask first of all . . . This is no order of precedence; it's the way I wrote them down. First of all, the Horse Racing Commission. I want just an outline on how the program went this summer and how it's been handled, the process that you've involved, the role of the betting for the summer, what has transpired to this point. And I'd like an update on that.

**Hon. Mr. Wiens:** — Mr. Chairman, two things: the budget that's been allocated is the same as the 1992-93, same in '92-93 as it was last year, but the responsibility and the Act has been transferred to the Associate Minister of Finance so this is now in a collection of areas of responsibility that the Associate Minister of Finance deals with. So the specifics with respect to the operation of the commission this summer I do not have.

**Mr. Martens:** — Okay then, we'll ask the minister when

we get to that. it's under the Gaming Commission, I would assume, then. Okay.

I have a number of questions about the Beef Stabilization Board. I want to know . . . We started a process of reviewing the arrears and going through the process with a special committee set up. I want to know how that's doing. I want to know what you did with the debt. I don't find it located in any of the places in the book. I'd like to know where you have it and whether it's been recorded. And if it's been written off, tell me where that is too.

**Hon. Mr. Wiens:** — Mr. Chairman, I think I now understand what the answer is to the question, but if the member opposite has a better understanding than I do when he's done, I'd appreciate his sharing that information with me. My understanding is that the province made allowance for the debt several years ago. That, I understand, means that over here is a little box with \$100 million sitting in it waiting to knock off this little \$100 million debt over here which is sitting on the books of Saskatchewan Beef Stabilization Board while the province has recognized that there is \$100 million of non-recoverable debt in its books. So somewhere in the province's books is a recognition that \$100 million has been lost.

The resolution of the allowance with the actual indebtedness has not yet been done but the two pieces are allowed for. The Consolidated Fund would show \$100 million missing and that allowance was made a couple of years ago.

With respect to where the administration of current beef stabilization functions exist, it's in vote 25 on page 19, and in there is the dealing with premiums on the present tripartite programs and the administration of both the existing Beef Stabilization Board and the residual Beef Stabilization Board functions and tripartite programming for hogs, beef, beans, honey, and sheep.

(1945)

**Mr. Martens:** — I know that, Mr. Minister, there were a great deal of problems in there with administration, and when I took over we did a lot of adjusting. I'd like to know from the minister whether that has been completed, whether those individuals who have significant . . . What I would like to have is the volume of dollars that you still have . . . I don't need to know the clients' names; I need to have a volume on collectables, what you anticipate collecting, how many of them and that information, please.

**Hon. Mr. Wiens:** — Originally, I understand, there were about a thousand clients whose accounts needed to be clarified, with the total owing of about \$3 million. About a million dollars will have been collected when the process is finished. There are 11 clients remaining to be resolved, with a total indebtedness of \$100,000, and litigation is being pursued with those 11 clients.

**Mr. Martens:** — On the Beef Stabilization Board, I'd like you to give me the information about who the board members are and that. You can send that over to me. You can do that as well with the tripartite stabilization board.

Could you give me a sense of the volume of dollars in the various categories — the calves, the fats — can you give me the volume of dollars that we have in the fund in each of those categories, that I could have that information too.

**Hon. Mr. Wiens:** — Mr. Chairman, in answer to the question, there is some detail that one of my officials needs to get with respect to numbers. There are about 1,500 participants in the cow-calf program and about 1,500 participation in the feeder-slaughter program. The numbers of dollars are not available at the moment though we'll get them in a moment. But because there have not been pay-outs on the cow-calf program, there is a surplus in that fund, and there is a deficit in the feeder-slaughter program.

**Mr. Martens:** — If when you get them if you don't mind sending them over I'd appreciate that. I'd also like to have the membership in the board that runs the tripartite stabilization . . . (inaudible interjection) . . . well if you've got it here you can send it over.

I'll just go on to the next question, the horned cattle trust fund. I'd like to know the projects that were provided for through the fund and the individuals on the board as well.

**Hon. Mr. Wiens:** — Mr. Chairman, I might ask if the member opposite has some more questions while the pieces of information he requested are being collected. There are officials seeking information on both previous questions.

**Mr. Martens:** — I believe, Mr. Minister, there is a beef check-off fund too that I'd like to have the same kind of information for. Then while they're looking for that, could you give me the . . . in the ag development fund I'd like to know the membership on the board. I'd like to also have a list of the projects that are ongoing, a list of the new projects.

And I don't know where this information came from even, but I was told today that the ag development fund has been established to . . . and by you has been given an additional mandate or a new mandate, and I'd like you to talk about that a little bit. I'd also like to have you explain to us how you think that this new feed grain assistance program or red meat marketing thing that you've got going . . . I forget what it's called. How that . . . it's called PEP (production equalization program) or something or other, how that fits into the ag development fund. I know how the study would fit in, but I don't know how the other one would fit in. And so if you wouldn't mind providing some of that detail for me.

**Hon. Mr. Wiens:** — Again there's some information that I'll wait for the officials to get on the last question, but I'll answer some of it in the mean time. With respect to the interim red meat production equalization program — whose name you should commit to memory — the purpose of the study, as you say, is understood. It's to establish a future direction for the livestock industry. And as I've said before in the House, I appreciate the efforts of the industry to come together to make . . . to offer themselves to participate in the joint project for the first time with the red meats, looking to where their future is

going to go, where government investment is most appropriate, and what kind of new developments are in the future for the red meat industry.

With respect to their relationship to the ag development fund, when we terminated the FeedGAP (feed grain adjustment program) program, the concern that was raised by members opposite and members of the industry and others in the public was the concern around the impact not only on the feeder industry and other elements of the livestock industry, but the slaughter industry as well.

When we met with the livestock industry and their collective group that formed, it really created an impetus for the initiation of the study. They suggested that there wasn't adequate information to make a judgement on the program. When we went through the department, there wasn't adequate information within the departmental analyses about the best use of dollars in this regard; and a concern expressed also that as long as Alberta was in this game, it was difficult for our industry.

And so before we would want to leave the industry to compete in that disadvantaged position, we should be sure of the impact of that to a greater extent than we were. And it was through their encouragement that they considered the expenditure of development dollars that, as in . . . that come out of the ag development funds as appropriate to maintain stability in the red meat sector while the study was being done. So it was also one of the few sources of funds within the department that could be shifted in order to maintain the budget guidelines that have been established within the department in spring.

So it was that combination of circumstances with direction from the industry and input and the putting the interim program together, along with the study, to set the future direction that makes the connection of that exercise appropriate for the ag development fund.

With respect to a new mandate for the ag development fund, there isn't a new, defined mandate at the moment, although the previous board had been working on some strategic planning exercises. And when that board was replaced this spring, the new board set a small review committee together to look in a bit of a visionary fashion at the future as well. That review process is now just in place.

I don't know where the review process that represents the new members in the committee will take the ag development fund for the future, but in the construction of the new committee, we altered it to some extent from what it was before, and the review committee may want to alter it again, depending on where they feel that this function . . . or how it can best serve the public.

It was my inclination, when the new committee was struck, that it would be good to have sectoral representation in the ag development fund so that the grain sector, the livestock sector, other sectors would be represented and that each of those sector representers would have a link to the industry, recognizing that there are a lot of distracted pieces in agriculture, many organizations representing many interests and not much

bringing them to one focus. And it was my belief that the ag development fund would be an appropriate place to bring some focus to that.

And so it's my hope that the representative of the livestock industry, for example, on ag development would have a strong liaison with the other livestock groups. And hopefully this begins to synthesize and strengthen the collective effort within the province, both for planning and the use of funds that are present in things like the beef stabilization . . . or the check-off fund and the horned cattle fund that you spoke about earlier. That's my hope, but that was mine. The question is whether the review committee will take it. And we will leave that in their hands to recommend to us.

I believe I have the new members of the board here now before me. John Buchan from the . . . there are 13 members of the new board. John Buchan from the department, Gordon Dorrell from Ag Canada, Terese Karwandy from the department, my deputy, Stuart Kramer as the chairman of the board, as described in the legislation; Dr. George Lee from the U of S (University of Saskatchewan), Dr. Wanda Mann from Swift Current, Calla Olson from Plenty, Don Russell from Rosetown, Dave Sim, from the department; Marie Spinato, from the department; Alesa Verreault from Saskatoon; Bob Virgo with Sask Wheat Pool in Regina; and Gary Wellbrock from Ponteix. That is the new board, and that's where they are presently in terms of their review process.

(2000)

**Mr. Martens:** — In the study that you're going to do with the red meat, are you going to involve the processing side in any way in that study, both as an opportunity and as a place for investment perhaps of funds? I know that there's been some discussion in the hog industry in Moose Jaw, and I know that there's been a lot of rationalization in the beef side. Is there any of this money going to be allocated to look at whether there is an opportunity in the processing side in the meat side?

**Hon. Mr. Wiens:** — The hope that I have for the study is that it will tell us what is worthwhile investment, what is the proper prioritization of investment within the limited constraints that we have. As I think I've said earlier in the House, I have very much appreciated the energy that the sectors have brought to bringing some creative thinking to issues.

As in the hog industry, one of the issues they have brought before is the availability of capital for construction was a difficulty, and they have proposed some solutions through which health monitoring and production monitoring and industry support of existing facilities that experience difficulty . . . through which processes they may increase their access to capital for expansion; the issues of what the opportunities are in processed meats, what are the specialty markets, where should we be spending development dollars, and how should we be using facilities that are here, and how can that link best with our other industries.

I hope that the study will bring forward a very strong and broad analysis of how Saskatchewan's livestock sector

can build in some creative directions. And it would be my private hope that in the end this will lead to an industry that can function independently of government subsidy and function as business working in a competitive market where they can effectively compete on their own, which also obviously involves that other governments have to stop playing games with their programs as well.

**Mr. Martens:** — I asked you for a list of the projects that you've got and new projects. You can send them over if you don't mind. I'd also like to have a copy of the board membership if you don't mind.

**An Hon. Member:** — I have the Beef Stabilization Board . . .

**Mr. Martens:** — Okay.

And the role of . . . or in your role as minister, where do you think that the pork side has a limit and the beef side has a limit? We've got serious discussions going on in method of payment, and I'm not sure how long that they're going to take to evolve. But we've got some interesting opportunities there.

We also have interesting opportunities on the very fact that we've had frost in the province in the last week, and that raises the awareness on people's minds about the livestock industry and its role in the province.

And the reason I raise it is I think it's the most important factory in processing that we can have in the province of Saskatchewan. It deals with a movable commodity in a capacity to move non-edible protein into edible protein. And I think that we need to focus our attention on that opportunity, and in that way develop the processing industry.

And right now I don't think we have enough hogs here to really have what other people would consider a competitive packing industry in the hog side. And that's not a criticism. That's an evaluation. And I think that we need to go that way. And that's why I'm asking you the question.

**Hon. Mr. Wiens:** — Let me answer another question before I forget, and then we'll get on to that. With respect to the members of the Beef Stabilization Board that you had asked for before and the Tripartite Beef Administration, the members are: Lynn Grant, chairman; Brian Perkins, Saskatoon; Keith Howse, Pangman; Jim McGregor from Senlac; Kathy Warnyca from Montmartre; Kathy Martin from Silton; and Gary Stevenson from Melfort.

With respect to the projects, I have not yet found the membership; and I will forward it to you directly if we don't have the information here today with respect to the horned cattle, beef check-off. There is a lengthy list of projects in either case which we will forward to you at another time, possibly. And the same for the ag development fund. The projects, the list of files is very long there.

With respect to the industry and where it might go, the Saskatchewan livestock sector represents about one-fifth

of our grain sector here, and there is clearly room for expansion. And I think it would be the view of most observers that if there were no game-playing at borders and with neighbouring provinces, that the beef industry production and packing would quite well migrate to Saskatchewan in the long term because of our access to feed grains and our climate, our low cost environment here.

That's also true of the hog industry. Our hog industry is the lowest-cost hog industry in Canada. And factors like that which you describe now where grains become feed in one night's frost and generally high supplies of feed grains even in normal times tend to make this a place where livestock has an advantage.

The practical expansion plans, the analysis that was done in the re-evaluation of the red meat sector suggested that without interim support, the hog sector would climb by about a half a per cent a year, with the interim support they would grow by about 4 per cent per year. So there is a steady growth potential in the hog industry in Saskatchewan. That doesn't get us to the kinds of numbers that the hog industry feels they would like to achieve. The goal that Sask Pork had established for themselves was 3 million hogs by the end of this century, and we're only slightly over a million now.

I think in the beef sector we clearly have a lot of room for expanding feeding at home. Our cow numbers are probably relatively static. They follow a cycle from between 7 or 800,000 to a million head in a cyclical fashion and that represents probably our capacity to graze and feed, and those tend to be in smaller herds scattered across the province. But the capacity to feed those calves out is a major growth potential here if again we are not disadvantaged by competing provincial programs in other areas. Because we presently are feeding out about 220,000 of those about presently 800,000 calves produced in the province. So if we just kept our own, we could quadruple the size of that industry, and that's a major expansion potential as well.

**Mr. Martens:** — Just going on from that question about the ag engineering branch, and I know that they're interested in some of the odour components of agriculture in the hog business and in the feedlot business. I wonder if I could have a list of those projects that are being looked at with your ag engineering department or branch. I don't know whether they're still called that, but you'll know which one I mean. And I'd like to have a list of all of those projects that they're working on.

I know that I, for example, have one in my constituency that raising a thorn in the back of a lot of people. And I'd like to have your review of all of those that are causing a problem in the province.

**Hon. Mr. Wiens:** — Mr. Chairman, first I'll ask a question and then give you further input to the last question. Is the question: which expansion projects are presently being evaluated environmentally for expansion and facilitated by planners in the department through the engineering environment branch? Is that the question? Like how many projects are out there that may be an intensive hog

operation that's expanding or an extensive beef feeding operation that's expanding, where the environment engineering branch is monitoring or setting out guidelines? Is that the question?

**Mr. Martens:** — I'd like to have it in both cases, where they're monitoring an existing one and where they're looking at new ones and how they're dealing with it.

**Hon. Mr. Wiens:** — I'm waiting for some officials to deal with that question. In the mean time I will answer another question. Just a supplementary piece of information in the point I was making earlier.

If all of Saskatchewan's grain was converted to hogs we could produce about 70 million hogs in the province if that were the desire. And if my kids thought my yard smelled before, what would they think then?

The membership of the Horned Cattle Board. Val Kononoff is the only member whose term has not expired on that board, and the members on the cattle deductions fund have all expired as of June '92 and new appointments have not yet been made. We are in the process of receiving nominations for those.

And you had raised the question of the transportation policy, and only to say that that is continuing, as you are aware, continues to be an issue that is of keen interest to Saskatchewan people. You're aware that every study that's ever been done suggests that Saskatchewan is much better served by the present method of payment than some of the suggestions that come from our neighbours.

That doesn't mean our neighbours are wrong for their own purposes because they are well served by taking some of our funds if they can change the method of payment and facilitating their economies. The general estimates that have been done in the studies in Saskatchewan say that there would be very little impact on production as a result of changing the method of payment, even though it continues to be a hot topic of debate where the livestock sector tends to disagree with the grain sector.

There's a general sense that, and the studies that have been done indicate, I think, expansion limited to 4 per cent possibly as a result of the change in the livestock sector. So the studies that have been done to date would not indicate there would be any . . . in fact would indicate a disadvantage to Saskatchewan if that method of payment were changed.

**Mr. Martens:** — I'll wait for those ag engineering observations that you have. I have a question about the livestock cash advance. What impact on the balance between Alberta and Saskatchewan on subsidies to the industry does that 12 million, I believe, dollars, in an annualized basis, what impact does that have on the reduction of Saskatchewan's equal, level playing-field have with Alberta?

(2015)

**Hon. Mr. Wiens:** — Mr. Chairman, there are a couple of categories of things carried out under the engineering

branch. I know I can think of examples that have come across my desk. PAMI (Prairie Agricultural Machinery Institute) is presently carrying out a project to use straw as an odour-control method at six sites in the province, on lagoons. There are about 30 permits issued annually for intensive livestock operations that the engineering and environment branch gets involved with. That is essentially to evaluate and to determine whether permitting is appropriate. And I think the site you describe at Swift Current is one of those that's engaged in that.

There is an obligation, I think, on the part of those seeking approval in permitting to have some public support for what they do and to try to deal with that in an effective manner. And the environment engineering branch tries to facilitate those kinds of actions.

There are probably four to six projects that at any one time are being monitored as a result of public complaints. I know I can think of examples that come to my attention, and I don't want to mention them because there are individuals that may be affected by that, but there are four to six of those that are kind of an ongoing basis. And we can forward the list of the ones that are before the department this year with respect to the permitting so you can have some idea of what's going on. I'll ask the officials to do that.

**Mr. Martens:** — Would you be able to give me a list of those that have been given permission to relocate? Now I know there's some funds made available, at least there used to be, to relocate some of these. Would you give me a list of all of those that have been moved if any?

**Hon. Mr. Wiens:** — Can you give us the time frame that you'd like information on?

**Mr. Martens:** — You mean from . . . till . . . the beginning of November till now.

**Hon. Mr. Wiens:** — None.

**Mr. Martens:** — The question on the \$12 million on the livestock cash advance, is that the number that you used in determining the impact or the volume of dollars required to service that opportunity, or is it less than that because of the change of the interest rate?

**Hon. Mr. Wiens:** — Mr. Chairman, the estimate of 11 to \$12 million on the livestock cash advance program related to recent history but also was a reasonable projection for the future since it's an ongoing program and the funds are not short-term funds that are used, so that we're working with funds that have been borrowed on the long term, and it will take some time for the cost of new funds, as old borrowing expires, to have an impact on that total cost. So the reasonable projection would still be in the \$12 million range for the program, had it remained the way it was.

**Mr. Martens:** — The payments to the ag college were taken out of the ag development fund as a . . . well for a few years anyway, maybe one or two. I'm not just sure. And I noticed in my questioning the Minister of Education that that was one of the volumes of dollars that was written off. Could you give me the volume of dollars that

were moved over to the Consolidated Fund and included in the debt on that issue.

**Hon. Mr. Wiens:** — I think I have this straight now. The cost of the building was about \$92 million. Twelve million was raised by the university from their own resources and the public participation. The remaining 80 were split between Education and Agriculture. Education took 40 million, and Agriculture took 40 million. Agriculture had made two payments — one of 1.7 million and one of 5 million — leaving a residual of 40 million, since the payments only paid for the interest. So 40 million was written off from our side as well.

**Mr. Martens:** — And that was put into the Consolidated Fund debt load. Can you give me the date on that. Is that March 31, or was it December 31?

**Hon. Mr. Wiens:** — It's my understanding, Mr. Chairman, that that was included in the Consolidated Fund debt as of March 31, 1992 . . . (inaudible) . . . that's my understanding.

**Mr. Martens:** — I got another question about debt. There was a land bank debt that doesn't appear anywhere in the book either, and I wanted to know where that was. I asked different people. I've been trying to track it down and I haven't been able to find it.

**Hon. Mr. Wiens:** — Mr. Chairman, this is now housed within Finance. The best recollection our officials have is that the cost as of April 1 it's now in Finance. The best estimate the officials have with respect to cost to the department when it was housed in Agriculture was about a \$20 million interest cost with rental revenues of about 6 million with the residual cost to the department at that time, about 14 million.

**Mr. Martens:** — Well, Mr. Minister, I've asked I think three or four of the ministers already to identify where it is and I haven't been able to get to it. If you're telling me that it's in the Department of Finance now, when we'll get to his estimates we'll ask him where it is. But I've had difficulty tracking it and I know what we call the blue book or the budget book, you're right, had a \$14 million expenditure last year. This year it doesn't have anything, it isn't even mentioned there. Last year it had a debt, a little note on the bottom that it had a debt I think of \$180 million. And I haven't been able to find it anywhere in order to identify where it went and that's what I have a concern about.

**Hon. Mr. Wiens:** — Mr. Chairman, with respect to its specific location in the estimates, it's vote 12, item 1, subvote 1 where that presently is. It's not identified specifically; it's in interest on the public debt as a global piece. There are some footnotes on that page with respect to the . . . it's on page 47.

(2030)

**Mr. Martens:** — On the general assessment of the lands branch and of the Department of Agriculture, lands branch took the rent credit and somehow it was deducted on a 14 million residual that Agriculture had to pay out. That would add revenue then I suspect . . . and I'll ask the



Minister of Rural Development when his turn comes, about the interest or the revenue from the land bank leases, and I'll ask him that at that time.

Have you still got in the department an Agriculture Development Secretariat that deals with the food processing side or have you moved that away or is there anything in that side that you should talk to us about to see where it's going?

**Hon. Mr. Wiens:** — Yes, Mr. Chairman, it's vote 1, item 9, on page 17. It is still in the department. Again I think as we co-ordinate the functions of government now, we hope to integrate and strengthen the development functions between the responsibilities of Economic Development and Trade and the responsibilities that are carried out within our department. Clearly it's our object to bring the strengths of the resources in both areas together to give us the best development in all of the agriculture-related areas. And that area will again be reviewed when we do our departmental review, hopefully within the next number of months.

**Mr. Martens:** — My personal view, Mr. Minister, is that agriculture has for far too long been lowered in its value and its value added opportunity in the province.

And I guess that one of the things that I would ask of you is to give us an overview of where you think the province should go and what it could do in view of the fact that we are a primary producer of a significant amount of raw product, and we market that.

And I'll just use an example. There were two programs or two groups of people that started cleaning lentils and marketing them internationally in my constituency. One of them was financed privately by individuals themselves. The other one was assisted by the rural development corporations and the municipality helped.

And I know that the one that the municipality helped had 11 people working for them over last winter in dealing with the lentils. And it's just one step of the processing cycle, which is cleaning and the marketing, and yet it had a tremendous amount of influence in that community.

And I was wondering if you could give us an assessment of where you see the province going in other things. And I could talk about the Schmitz that live out at Golden Prairie wanting to market internationally some of the grains that they have; and in the wheat side, in the milled wheat, they sell products that have no chemicals — the name just slips my mind — organic farming and they have a lot of that opportunity there. And I was wondering if you could give us an opportunity to listen to what your opinion of this sort of thing is.

**Hon. Mr. Wiens:** — Well it's pretty evident that Saskatchewan has a major opportunity for expansion in a number of areas. One of the conversations that I had with one of the farmers at Melfort on Monday — that the press didn't happen to want to report on, interestingly — was with a farmer who talks about Saskatchewan's benefits; that even when we're producing with chemicals, we're relatively chemical free compared to many of the products that are coming out of Europe; and that even in

marketing that idea, that we need to go further. There are a number of initiatives that I've been exposed to in my short time here, and many opportunities in the province. There are some energetic exercises with respect to greenhouse production, the herbs and spices, number of small fruits for you-pick, the saskatoon industry, blueberries, game farming, organic farming, as you mentioned; the potential for vegetable production.

There's a tremendous opportunity for expansion in the irrigated areas, I believe, because the infrastructure investment we have there is simply not being well served by traditional agriculture. It's very difficult to add up the costs of the irrigation initiatives and have them paid off with the kind of ventures that are presently being pursued there. And there are some people interested in potato production. There are people interested in this as a seed source for potato production because of the northern vigour factor.

And all of the areas of import replacement, whether it be through irrigated production or greenhouse production, I think a great opportunity to get both economic development and good taste on our tables instead of pulpy, colourless vegetables.

You're certainly familiar with the growth in the alfalfa industry and the potential there, depending on the market developments. When I've met with the ambassadors from the Asian countries, they are certainly interested in expanding in some of those speciality products and also in the livestock area.

The ethanol production has opportunities, depending where that goes. In the livestock sector, both breeding stock and embryo sales, genetic material sales, in that regard, a great opportunity; the developments going on with Sask Wheat Pool in the development of new crops, crops where we may develop new oil products from new technologies.

There is a great amount of energy accumulating around Saskatoon in the biotechnology and the application of technology to secondary processing between Philom Bios and the POS (protein/oil/starch) plant and the new ICAST (International Centre for Agricultural Science and Technology) institute. The participation of large industry with the province in planning new technology development and technology transfers is quite exciting.

So I think the future in Saskatchewan is clearly to take the existing base of production and transfer it, hopefully, to higher value products either by new primary production or by secondary processing. And I think the energy is in the province to build on that industry and to continue its development.

**Mr. Martens:** — I just want to say that that's my view of the future in the province of Saskatchewan. And I hope that you take some of the ag development fund money that is available there and use it in that area to do that. And it has to be more than just the plant side of farming. It has to be the red meat side and even the poultry. I know that I had people in my constituency who were in the chicken wing business and had to leave and go to Richmond, British Columbia, because they couldn't find enough

chicken wings to supply the market in Saskatchewan. And I know that that's a controlled sector in agriculture, but I also know that we should be looking at those kinds of things in trying to correct what the opportunities really are.

Can you give me an outline of how many feeder associations there are in the province, and breeder associations? And could you give me at the same time the volume of dollars that the guarantees of the province are standing behind these loans in the province?

**Hon. Mr. Wiens:** — I might, while my officials are identifying those facts, mention a couple of industries that I was exposed to during the election campaign last year. In my constituency is a farmer who has created a pea burger. I stopped in there at lunch-time and it was a marvellous product, good texture and good flavour. And he was looking for a way of processing it. And again, as you had mentioned, we have room for expansion in the supply-managed industries, although they are in a period of some need to plan their futures as well and in some uncertainty with the GATT (General Agreement on Tariffs and Trade) process going on.

There are currently 106 feeder and breeder associations together, with about 3,400 members. The guarantees total \$32.8 million; 23.3 million for feeders and nine and a half million for breeders. The maximum loans that can be borrowed total \$131.3 million, which is 934 million for feeders and 38 for breeders.

**Mr. Martens:** — There has been some discussion about how to manage those breeder associations and how to use the guaranteed money by borrowing from banks and credit . . . banks mainly, because credit unions don't do this. I know from experience that there is a significant pressure from in your branch to move to having a certain amount of people active all the time in each of the breeder and the feeder associations. And I just want to . . . I want to raise it from the perspective of the industry. We met with them last winter and there was a good deal of pressure suggesting that a minimum of 10 members in an association would be the ones that would have to be active in order to have them continue and be allowed to operate. And I would hope that the minister would take this observation seriously because I'm giving it seriously.

If we take and curtail the activities on a fiscal management cycle in dealing with the cattle industry, both the feeder and the cow side, we're going to have serious problems if we're going to say that this year you have to have a certain amount of people in your association with borrowed money. And what you're going to have happen then, Mr. Minister, is it will be done just for an exercise in order to maintain the books and it won't be expanding the industry like it's supposed to do. And so I would say to you that you need to keep a watchful eye on that.

I know that the people in the south-west have a serious concern about the minimum volume of active people in the system, so take that under advisement and we can talk about it at a different point in time. I just wanted to raise that as a part of the things I wanted to mention to you.

I have heard a concern from the Milk Control Board as well — not from the board but from people in the cream side in the industry. They have contacted me, and these are people who have done this for 40 years. There are people who have only begun. And what we have which is different today in agriculture than it was in the '30s, in the '30s people survived on the basis that they could take chickens and pigs and cows and put it all together on the farm and still maintain their life-style because the expectation wasn't that high.

What has happened today is that people don't have that opportunity to the same extent, and so when we have these cream quotas, which are old cream quotas, we have a very important group of people, at least in my constituency, who are still of that group. And I don't know how many there are but the point that was raised with me: we've done this for a certain period of time; why don't you let us do it till we're finished and then take it over.

(2045)

What is significant to these people is that they get a weekly cheque or a monthly cheque and that's theirs to have. And if it's put into the dairy industry as a part of the quota, what you have there is it's gone in one year with the way the milk consumption is going down and the volume per cow keeps going up. It doesn't matter much in the fluid milk and the industrial milk side as it does in the impact on an individual basis on the small farms in Saskatchewan. I would say that I heard that it's supposed to be closed down in a year from now, that there are no more cream quotas going to be available. And I want to raise with the minister that I think that's a serious error.

I know that the dairy industry wants to have it out, and I understand why. But I need to have some assurance from you that these cream shippers who are now part of very small farms — they're not the big farms — they're the very small farms, are now going to be jeopardized and I don't want to see that happen. They were there, a lot of them were there before the dairy farms were there, and they were the backbone of the industry at the time. And to not grandfather them out, I think is a very serious mistake on the part of the Milk Control Board. And I just want to relate that to you so that you know about that. But I'd like to have a response from you on that too.

**Hon. Mr. Wiens:** — Mr. Chairman, I've also heard the concerns expressed by the member opposite from some cream producers. And I was reared milking the cow and turning the separator handle too, and that was the clothes money in our family when I was growing up.

But the . . . it is in Saskatchewan not a government policy issue or a Milk Control Board policy issue that is the difficulty. Dairy Producers Co-op is suggesting they no longer wish to purchase cream as cream from farmers. There is a contention that people who are purchasing product from DPCL (Dairy Producers Co-operative Ltd.) are concerned about whether there's a parallel quality with farm-shipped cream to that skimmed by the plant. That's a concern. I know I've had a number of producers express it to me.

Those producers know they can — as you say — convert

that to fluid quota but that means a major investment for them, for some late in their operations. I would like to look further into that issue to see whether commercially it would be possible to convince the industry to continue to deal with it as you've said because it is clearly an issue for those producers who are still producing cream and are concerned for their operations. They are generally small producers who farm in a particular style that is appropriate to them and their families, and this would be a major disruption for them. And I have heard those concerns as you have.

**Mr. Martens:** — I'm not going to be . . . this isn't a negative comment to dairy producers, but I know that dairy producers would have a vested interest in having that moved to the side because it becomes a burden to them more than an asset.

I have a question here on . . . one more question and then I'm going to let the member from Arm River deal with one other item. And I'd like to have your membership on a number of the boards. I've asked you for some of them, and I'd like you to send over the ones for the ag development fund, the Ag Credit Corporation, the Horse Racing Commission — oh no, you said you weren't running that any more — the Milk Control Board, the Farm Land Security Board, and the Farm Ownership Board. I'd like you to send that over.

And I have one other question on the Farm Ownership Board. The member from Kindersley is right in the middle of a large concern by a real estate agent out of Rosetown. And I'm not sure just where that's going to end up. I know that we were talking about it. I think there's roughly about 100 sections of land that have been given as opportunities for sale in that Eston area and I've had a significant amount of people asking about that.

And I'm not sure that the minister knows anything about it, but I would like to say that if there is some foreign ownership in this project that is moving forward, I think we need to keep an eye on just exactly what's happening there so that the investment through the Farm Ownership Board doesn't get away on us and become involved with offshore money. If it's an investment opportunity to stabilize agriculture, I think we need to have an opportunity to discuss exactly what it would be in this Legislative Assembly.

**Hon. Mr. Wiens:** — I wonder if, with respect to those board memberships, whether you wish then today or whether I could forward those on another day. I wonder if you could clarify. I wonder, with respect to the board membership whether you would want that now or whether I could forward that later.

**An Hon. Member:** — You can forward it.

**Hon. Mr. Wiens:** — Okay, for sure, I'll forward it later. Okay. And the Farm Land Security Board and the Farm Ownership Board are under the ministry of Justice.

With respect to the issue you raise in the land being assembled in the Rosetown area, I have no official information on that. I do not know about what the purpose for that is.

With respect to the Farm Ownership Board, they have passed policy that allows, under a restricted set of circumstances, equity investment by non-Saskatchewan corporations. And I want to pursue that with the Justice minister to look into what is going on there because I think it's a concern to all of us that we want to balance the interests of Saskatchewan farmers and Saskatchewan investors and maintain control of our lands in our communities. So it's clearly an issue that I want to pursue with the Minister of Justice and the Farm Ownership Board to make sure that we are not facilitating actions on Saskatchewan land that we will regret in the future.

**Mr. Martens:** — Mr. Minister, I just have this concern. I've always believed that a Canadian is a Canadian and that the Farm Ownership Board should get to the place where they allow Canadians to buy land in the province of Saskatchewan. And I believe in that, and I was moving towards that myself, one of the last things we were going to do. And I would encourage you that that's one of the questions you need to ask the Minister of Justice about in order to determine a direction on that. And if you were going to move on that, this side of the House would not have a great deal of difficulty supporting you on that.

**Hon. Mr. Wiens:** — Just for your information, the Ag Credit Corporation board of directors is under question 28 in the information already provided to you.

**Mr. Muirhead:** — Thank you, Mr. Chairman. Mr. Minister, the other night a few days ago, we were on these estimates, you said you would be answering questions on Farm Land Security Board, Mediation Services. So I have a few questions I'd like to ask there, Mr. Minister, and then a few on ACS, and we will try to do as quickly as possible. If there's any problem in any, just for time, if there's any questions that can't be answered, just say so, and I'll be satisfied to get an answer afterwards.

Mediation Services, I just like to ask if there's any additions or deletions in any of the staff.

**Hon. Mr. Wiens:** — Mr. Chairman, there has been no significant change in either mediators who are contracted or in office staff. I suspect the general flow, if you want specifics, that could be forwarded if there have been changes. But in general not more than normal cycling of staff would indicate.

**Mr. Muirhead:** — Thank you, Mr. Minister. Then I'll just ask for to send it later. We'd just like to have the names of any staff since November 1, 1991, any staff that has retired or been fired or laid off, and any additions, and then plus any board members . . . the changes in the board for both Mediation Services and Farm Land Security Board.

**Hon. Mr. Wiens:** — Mr. Chairman, there is a new board for the Farm Land Security Board, but Mediation Services is not served by a board. So that information will be forwarded to you.

**Mr. Muirhead:** — You'll give us that information later then, will you? Thank you.

Mr. Minister, you had a press conference — I believe it was the end of March — on the Farm Debt Advisory Committee report. I was at it. And quite a bit of information . . . And I've been through the book over and over and I just want to ask some questions pertaining to some things in there and the Farm Land Security Board.

How many farm foreclosures . . . This is a question we've asked you in question period and we've asked you . . . and the Minister of Crop Insurance and you didn't have it. So I'm sure when you've got your officials here that we should be able to know how many farm foreclosures through the Farm Land Security Board since its beginning in 1984 . . . I think, whenever it started — '84 or '85 till today.

**Hon. Mr. Wiens:** — Mr. Chairman, I want to clarify before I answer the question that it is foreclosure notices we are talking about, that the actual number of foreclosures resulting from the notices is generally less than 10 per cent of the number of notices. And within the 10 per cent, a number of those are voluntary. But there have been, since 1985 until the present, about 9,287 notices which represents 6,915 farms; that's notices issued. And because the notices are the number of mortgages, that represents a smaller number of farms.

**Mr. Muirhead:** — Mr. Minister, just to save us some time here, I'm just going to read through a series of questions. And these are not important to the debate tonight. Because there's been so much dissension between the Farm Land Security Board . . . I don't mean dissension, but I mean different figures coming from them and then Farm Debt Review Board. And then you'll have a law firm say, I just got the figures from such-and-such.

So I'm going to read off all I want, and don't have to even answer them tonight. You can look in *Hansard*. Look in *Hansard*, and as long as I get the answer. But I want your commitment that there's some research done into this because I'm going to include the Farm Debt Review Board which, when we were government, we always knew exactly what was there every day. So I'm just going to read them off, and then we can get onto the ACS questions. I might have a couple more on this one.

(2100)

Okay. I ask the question: how many farm foreclosures through Farm Land Security Board from the beginning until now? Now how many through the Farm Debt Review Board, from its conception until now? And how many foreclosure notices for each year for both Farm Debt Review Board and Farm Land Security Board? How many since October 21, 1991 till December 31, 1991? And that's through both Farm Debt Review Board, Farm Land Security Board.

And then on that moratorium, we had a moratorium for 90 days, beginning approximately the first of the year there, Mr. Minister, until the end of March. How many in that period of 90 days? And then how many in the Farm Debt Review Board for all . . . just make it clear that I want this figure for the Farm Debt Review Board for all those same questions from . . . it was about four I asked there.

And I'll be satisfied — don't have to even think about it tonight — if I can just have a written statement from your officials, so we know exactly, instead of always this dissension. Who's right? Farm Debt Review Board, Farm Land Security Board, some law firm, or you in this House here?

And as I understand, it's not easy for you to keep it up day to day. But we recommend that maybe you should do, is have that on the tip of your tongue when we come in the next session. That at least weekly or a couple of times a month, they should be updating you so you know exactly so you can tell us, so we can keep up with this serious situation. I can have your commitment to that, can I, Mr. Minister?

**Hon. Mr. Wiens:** — Yes, with everything except keeping on the tip of my tongue the most recent foreclosure notice statistics because they do change. And I do want to just indicate the one period that you mentioned, the temporary measures agreement that was voluntarily engaged in by the financial institutions from January to March where the 55 notices were received compared to 362 for the first quarter of the previous year, just to indicate the degree of co-operation that the financial institutes exhibited. Appreciate the question and your willingness to receive an answer at a future time.

And clearly we do want to stay on top of the very serious debt situation in the province, but appreciate with your co-operation that we have today passed the legislation that will help provide some stability in that sense and relieve significant amount of stress for farmers going through this already very difficult process.

**Mr. Muirhead:** — All right. Thank you, Mr. Minister. I'll accept that, that we could get a document with all these figures on it.

And as far as keeping those figures on the tip of your tongue at all times, I think that's quite easy. That was my job to inform the premier for many years — that he knew that every day in question period. So you could have . . . you've got lots of back-benchers doing absolutely nothing — assign one of them to keep . . . other than go play golf at \$155 a day. So you could have one of your back-benchers, give them a big assignment to tell you every day before you come into question period, Mr. Minister, what is the farm scene out there?

Don't laugh about it, because you as minister should know constantly how serious this farm scene is, and I think it should be on the tip of your tongue at all times. You should be able to think about it in your sleep at night. How many farmers are losing their farms out there.

And I appreciate what you're going to do for us here and give us all these figures.

Mr. Chairman, Mr. Minister, I asked you a question, or my colleague did the other day when we were on here before, about how many court cases. And we just couldn't understand your answer on that. And we were wondering if you were including all the court cases or statements of claim. How many court cases or statements of claim in Agricultural Credit Corporation is there out

there right now?

**Hon. Mr. Wiens:** — Mr. Chairman, my recollection of the information that I gave you and read into the record the other day — and you may want to clarify which part of this you did not understand — was that there were 31 cases initiated through ACS from the beginning of November till end of March.

**Mr. Muirhead:** — That's how many was initiated at that time. How many total would be on the go now? And I said between court cases and statement of claims issued to farmers, period — I don't care what date — just total that's in the courts or in . . .

**Hon. Mr. Wiens:** — There are presently 2,298 writs outstanding.

**Mr. Muirhead:** — Okay. Thank you. That's what we couldn't understand the other day. We thought that was including all that. And I thank you for that correction.

Just the last question. I've got two questions left on Farm Land Security Board, because we want to move along here as quickly as possible, because we all realize we're on an agenda here tonight.

When the minister of Crop Insurance is waiting patiently to talk about a little more GRIP (gross revenue insurance program) and a little more . . . we want to see if he's got a grip on things tonight and we're going to move on to that.

In this report from the advisory committee, they talked about perhaps a new mandate for the Farm Land Security Board or that they kind of alluded to it. Is there going to be a new mandate for the Farm Land Security Board and Mediation Services? And if there is, what is it?

**Hon. Mr. Wiens:** — Mr. Chairman, the member opposite had indicated earlier he had spent some time reading the Farm Debt Advisory Committee report. And in that report, the committee recommended that there be some integration of the existing functions of the Farm Debt Review Board and the Farm Land Security Board.

I think I had mentioned earlier, when I believe the Leader of the Opposition was in, that I had had a discussion with the federal minister about that topic last spring, in March I believe, and he seemed to indicate a willingness to participate in a joint function, although he said that for the federal government, in order to maintain a consistent base of service, all the base functions of the Farm Debt Review Board would have to remain in place, and to the extent that that could then be blended into a joint function for us, that could be pursued.

Those discussions haven't taken place, but now that the legislation for our new debt process is in place, I suspect some productive discussions can take place with the federal government.

**Mr. Muirhead:** — Mr. Chairman, Mr. Minister, I'm quite aware of what the report said. But I just was wondering what you were going to do because I'm sure that everything that's recommended in that report, that you'd be very careful again on what you implement and what

you don't. After this here GRIP disaster, I'm sure that enough farmers are telling you that be careful on what the group has advised and be very, very careful. So that's why we're going to ask you what you're going to do, not what the people advise. Because it came out here very clear before that the people on that GRIP committee were financially . . . had a financial request in there.

And anyway, we won't get into GRIP tonight. We've been through all that. But what I did want to ask one question. I think in my last question on that topic would be: it said something, if I recall, Mr. Minister — and it's quite a while ago since I did read that report — it said something about the court reports, that maybe that will be doing some other method. That when the panel or the board members of the Farm Land Security Board or Mediation Services or whatever, when they're through . . . they've been writing . . . the Mediation Services are through dealing with that farmer, a report goes to the Farm Land Security Board or whatever, then a court report's drawn up. Will that process still be in place or is there something different there?

**The Chair:** — I'd like to ask the members, if they're in any way making it difficult for the officials to hear, the officials in the rear, to move over to the other side of the Chamber. The member for Saskatoon Sutherland and the minister just to move over. Thank you.

**Hon. Mr. Wiens:** — Mr. Chairman, the court report process will continue as it has been. With respect to mediation there are some related functions. Mediation will be able to be accessed on a voluntary fashion before foreclosure notices are served as a result of the new legislation, and there's also provision in the new legislation that matters can be referred back to mediation. So there's provision in the new legislation that matters can be referred back to mediation if it would be seen as valuable for resolving issues.

**Mr. Muirhead:** — Thank you. I have some more questions I could ask on that but I just ask your commitment, if any day-to-day changes that are affecting the public . . . could we be notified if they're changing any of their mandates on Farm Land Security Board or Mediation Services just so we in the opposition know and can tell our constituents thus far on that one?

Okay I just have another question back on ACS, Mr. Minister, pertaining to general security agreements in Agricultural Credit Corporation. There's a lot of confusion with a lot of people on where a general security agreement stands so I'm going to use, like we did before, Mr. Minister, just use hypothetical topics here. There's the two different kinds of general security agreements, Mr. Minister. We know a general security agreement can be a money purchase with serial numbers, and that's a different matter of its own, the same as a lender has and ACS has got them. Somebody buys irrigation equipment or buys machinery, that's a money purchase. And then there's the general security agreement at large, Mr. Minister, the general security agreement at large, and I'm calling it at large where there is no specific serial numbers or just agreements were signed for production loans and capital loans and there's no specifics.

Now we have a farmer that's in difficulty, behind in his payments, can't pay. There's thousands of them out there in this position. And the farmer in the past, in my understanding, with a general security agreement, always had his right to be able to sell cattle, buy cattle, buy machinery, trade machinery. My question to you is: when does ACS have control of his or hers GSA (general security agreement), whether they can sell or buy with freedom? When do they lose control of that? At what point do they lose control of their freedom to buy and sell cattle up or down, or trade their tractor off, or sell a tractor and buy new, because while the general security agreement is not in any problem, that's always been a freedom that they've had. Where does the point come when that freedom is not there any more?

**Hon. Mr. Wiens:** — Mr. Chairman, the lenders apparently always have the right under the general security agreement to be in control of those processes but they generally waive those rights as long as the activity that the farmer is engaging in or some other person is in the course of doing normal business. It is only in Ag Credit's case when they have reason to believe that a farmer may be selling off assets without intention of continuing in a normal fashion on their farming operation that they would step in and start to take action.

**Mr. Muirhead:** — Are you talking, Mr. Minister, then maybe perhaps after they've had a notice given to them or a statement of claim or something like that? Is that what you're saying, Mr. Minister, something like that?

(2115)

**Hon. Mr. Wiens:** — Without giving a short course in farm debt law, the understanding that I have is that if a farmer were believed by the lender to be disposing an asset that was a matter of security for them, and with the general security agreement that would apply to many things, except the exemptions under The Saskatchewan Farm Security Act, then the lender would give notice first of all to the person doing the business — if it were an auction yard or an auctioneer at an auction sale, or whoever the business might be — that they had an interest in the product being sold and the commodity being sold, which would mean the sales person would probably hold the funds.

In the mean time the lender would report to the Farm Debt Review Board to give notice that they intended to take action, and then at the appropriate time would take action and try and recover the value of their security from the results of the sale. That's the rough process that takes place when there is concern by the lender that some of their security is being sold off or eroded.

**Mr. Muirhead:** — Mr. Chairman, Mr. Minister, thank you. Because that's just exactly what I was getting at is auction sales. That seems to be the problem out there, that a person can go through the Farm Debt Review Board and you can deal with . . . or you can use your lawyer or whatever, or even yourself as an individual, and deal with ACS in a reasonable, husbandlike manner.

But it seems to be that if a person advertises their machinery in an auction sale, then there seems to be no

deals to be made because they just take it all. It's kind of refraining to me where some people would like to cut down on a lot of machinery and still keep farming that there's no movement in ACS at that time. I've had many dealings with ACS through the years, where a farmer . . . I can understand it if he's quitting farming and there's no more farming operation, I can understand that ACS owns all that machinery under general security. I understand that.

But it seems to be a problem if he's cutting down or whatever. And if he advertises anything at an auction sale they want it all, every last bit of it. There's no dealing. They seem to be hard to deal . . . Like I had one in Kenaston this summer where an individual . . . he was in a . . . he had gone bankrupt two or three years ago and he had saved his machinery on The Exemptions Act, and when he . . . then he decided this spring to quit, to shut it down and just farm the one quarter and he was going to rent that out. Your officials may know the one that I'm talking about. He got a job trucking, his wife was teaching school, and he decided to just shut it down. So he owed X amount of dollars and cents. He put the machinery up at an auction sale and thought he could make a deal with ACS. There was no way. They wanted it all or none. So he had to pull the sale because he said I could have kept on with The Exemptions Act until that machinery wore out and farmed that one quarter for 40 years, but I just couldn't get a good deal with ACS.

That seems to me to be a little unfair, when here's the person that's maybe going to keep on with a few rented quarters and he keeps all his machinery under The Exemptions Act or nearly all or whatever he needs, and he can pound out good deals as long as he's still going to farm a little bit, but here's a guy that is going to get out and start a new life and they don't leave him anything there. That just seemed to me to be not quite reasonable.

And I've only got one more question after that. If you want to respond to that, fine. If not, I just wanted to leave that with you, Mr. Minister. Just asking for caution on that, that that seemed to be a problem.

The final question is, Mr. Minister, that I've had several ministers that are in this government . . . it's not just doing . . . and I don't know whether it's the ministers or the staff, and I leave this with you, that I've been to your EA (executive assistant) and with the request back in April, the first part of May, and I've heard zero from him. I've been to the Minister of Energy with the same thing, I never get back.

And I just think, Mr. Minister, when I was in government here, and I've been here 15 years, it's always something that's a good relationship between MLAs (Member of the Legislative Assembly) and government that whatever the answer is, somebody should get back.

Now maybe it's an oversight on the one on your staff but I want your commitment that you would contact your EA — you probably know the one I'm talking about — and give a request. Well there's nothing wrong with mentioning his name — it was Ernie Spencer my good friend from Craik that born and raised in my community. And I don't know whether it was someone else that

restricted him from getting back with the answer or was it an oversight. I would just like your commitment that I'll hear from him.

**Hon. Mr. Wiens:** — Mr. Chairman, it may have resulted from the fact that Ernie left my office and joined the departmental staff shortly after that time and may therefore have lost some of the memos. And I have some new staff in the office now, Gordon Nystuen is there and JoAnn Buhr. So I had a couple of changes in the office staff. I wonder if you would mind sending the request into them because it's certainly my expectation that they answer all requests and, in my mind, MLA requests come first. So if you would send the request back through the office I would appreciate it so we would have an opportunity to answer it.

**Mr. Muirhead:** — Yes, thank you, Mr. Minister. That could explain, because I couldn't understand why. And I didn't know that Ernie had left your office. I still thought he was there today. Because I thought a man like him would certainly get back to me and I was just a little concerned. And so I'll have the request come to your office in the next day or two.

And that's my last questions. And I just want to thank you for your answers tonight and your staff's co-operation in answering some of the questions that they did. And I thank you very much. I'm expecting to hear of the unanswered questions that will be coming to me in writing. And I thank you very much, Mr. Minister.

**Ms. Hamilton:** — Thank you, Mr. Deputy Speaker, I ask leave to introduce guests.

Leave granted.

#### INTRODUCTION OF GUESTS

**Ms. Hamilton:** — Thank you. I would like to ask members of the Assembly through you to welcome members of my family. I have visiting this evening my husband, Bob, my daughter, Amber, and a brother-in-law, Ken Hamilton from Fort McMurray. So I'd ask members to welcome them to the Assembly.

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

#### COMMITTEE OF FINANCE

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

Items 1 to 32 inclusive agreed to.

Vote 1 agreed to.

##### Consolidated Fund Loans, Advances and Investments Agriculture and Food Vote 146

Item 1 agreed to.

Vote 146 agreed to.

##### Supplementary Estimates 1992 Consolidated Fund Expenditure Agriculture and Food Ordinary Expenditure — Vote 1

Items 1 to 24 inclusive agreed to.

Vote 1 agreed to.

(2130)

##### Supplementary Estimates 1992 Consolidated Fund Expenditure Agriculture and Food Agriculture Development Fund Vote 60

Item 1 agreed to.

Vote 60 agreed to.

##### Supplementary Estimates 1992 Consolidated Fund Loans, Advances and Investments Agriculture and Food Vote 146

Item 1 agreed to.

Vote 146 agreed to.

##### Supplementary Estimates 1992 Saskatchewan Heritage Fund Expenditure Agricultural Division Agriculture and Food Ordinary Expenditure — Vote 50

Items 1 and 2 agreed to.

Vote 50 agreed to.

##### Supplementary Estimates 1991 Consolidated Fund Budgetary Expenditure Agriculture and Food Ordinary Expenditure — Vote 1

Item 1 agreed to.

Vote 1 agreed to.

##### Supplementary Estimates 1991 Consolidated Fund Loans, Advances and Investments Agriculture and Food Vote 146

Item 1 — Statutory.

##### Consolidated Fund Loans, Advances and Investments Agricultural Credit Corporation of Saskatchewan

Statutory.

**Hon. Mr. Wiens:** — Mr. Chairman, I would like first to thank the members opposite for their co-operation in the passage of four very important Bills today with respect to the debt program for farmers and related matters. This is welcomed by farmers in the farm community, and I appreciate your co-operation.

I also appreciate the very positive nature of the discussions around the estimates and thank the members opposite for their questions and their willingness to co-operate with respect to the receiving of answers and look forward to further good relations with them.

I would like now to thank the officials who've been here for a number of purposes as well as many of the officials of the department who have been on hold in the hallways and in the galleries, and thank all of them for their support of this budget exercise and the other work of the department, and thank them now for their presence and work here. Thank you very much.

**Mr. Martens:** — Thank you, Mr. Speaker. I want to join with the minister in thanking the officials for the time that they've spent here. And I know that they assume that agriculture is one of the most important industries in Saskatchewan, and I know that they attack the concerns that agriculture has with a great deal of vigour and I want to compliment them on that. And I've told them before that I will only be critical if they're not proactive in their stance in agriculture, and so that's what we've been doing here today. And I wish you well.

**Consolidated Fund Expenditure  
Saskatchewan Crop Insurance Corporation  
Vote 46**

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

**Hon. Mr. Cunningham:** — Thank you, Mr. Chairman. I have with me Mr. Terry Tangjerd, Henry Schappert, and Mr. Walter Charabin from the Crop Insurance Corporation.

**Item 1**

**Mr. Swenson:** — Thank you, Mr. Chairman. I'm only going to ask the page to take this over to the minister. I promised him in question period I'd send over a couple of names, and I knew we were doing this tonight, so I thought I'd give it to him at this time.

(2145)

**Hon. Mr. Cunningham:** — Mr. Chairman, I have some information on the particular file that the member opposite has asked for. I can pass it across. Basically the information is that we made an overpayment of \$11,755.90. It was our error. The contract holder has had that money since March, will be asked to pay it back. There will be no interest until January 1, and in all likelihood that amount would be deducted from a payment that he would get this fall. I'll just pass this across.

**Mr. Muirhead:** — Thank you, Mr. Chairman. Mr. Minister, I have one that's on this . . . it's kind of in the same manner where individuals got a good pay-out, or a pay-out — we'll just say a pay-out, Mr. Minister — in the first payment of the 1991 GRIP and that was from their measuring their own bins or just . . .

In January, I think January 7 was the magic date that they had to measure before they get their second payment, they had to measure their own bins and have their bin numbers in the square, the feet and all that, before . . . The first time there was just strictly just taking a guess the best they could how much wheat they harvested. So they were paid as such.

The second time they had to be a little closer because they'd have grain in the elevator and they would have maybe the piles picked up. As you understand, Mr. Minister, it's pretty hard to guess grain sitting in a Quonset if you took half of it out or had a hump in a bin here and all that. We've talked about this before.

So here's this individual that I'm talking about, his name is Gordon Spencer from Aylesbury. And he felt that he was fairly close. He was right on, very close; not like some of the ones that were way out. He was fairly close when he measured the bins. Never did have . . . Crop Insurance never measured.

So he got a bill the second time. And let's say that's . . . maybe by using the \$2.86 a bushel, that perhaps he should get the bill because he was paid too much the first time.

My question more or less I guess is a request more than a question, to look at this policy that when we still have the third payment coming — which he's going to get a lot of money then I'm quite sure according to his own figures — that when a person's short of money, don't make them pay that second payment back. Shouldn't have to pay any money back to Crop Insurance until the final payment.

If they've made a mistake or you paid too much, it's only just a figure you took of \$2.86 a bushel. And he was a very unhappy man when he was getting two something, just a little over \$2 at the elevator and it did rise to 2.45. But he's still short approximately 40 cents a bushel and still he had to pay money back he needed for operating.

And I more or less was wanting you to look at that policy. It's not quite like the member from Thunder Creek. There was a mistake made . . . there was no mistake made. Just look at that policy, please, and not have farmers that are short of money have to send money back from the first payment and then send it back to the second and get it back in the third. It just don't make any sense.

**Hon. Mr. Cunningham:** — Yes, Mr. Chairman, the problem we have with changing the policy is that that's a requirement of our agreement with the federal government in the federal-provincial agreement. And as I said, in the case where it was our error, we would not charge any interest until January 1. In the case where it is just the price rise, it's not anybody's fault, the price went up and therefore the adjustments made after 30 days we charge interest which is also a requirement of the federal-provincial agreement. It's one thing I think that we need to be talking about as we look at changes to the program. I think your point is well taken.

There is a problem however that we could have if the prices were to go up again, the final payment might also not be there, and then you would have the problem of



collecting it some time after that. That's one of the difficulties, but we'll certainly take your point that it does cause some difficulty for farmers.

**Mr. Muirhead:** — Thank you, Mr. Minister. It's something we need to look at. Because if this person had've had no money, he couldn't have sent it back anyway. He would have just had to have the interest charged to him. But he was able to pay it and he paid it back. But at an inconvenience to any farmer. Nobody likes to get a cheque and then have to pay it back, especially when . . . if the price of wheat . . . and the price of wheat didn't go up, that's the problem. It just hypothetically went up. Maybe the world prices said they were selling it. Last spring they thought people were . . . that's why people thought last spring that maybe '92 GRIP maybe won't be so bad if I get myself a 50-bushel crop like last year. But it has left you people in a disaster, the '92 GRIP, because the crop isn't so good in Saskatchewan now and the price of wheat didn't go to \$4 a bushel. So it's going to cost you.

And that's why . . . Anyway, Mr. Minister, I'd just like to leave that with you, that that's a hardship and not send people a bill until after the third payment. Then you know where they're at. Maybe it's easier to pay it back after that than it is in that middle one when he knows he's got money coming and he knows that the price of wheat was not \$2.86 a bushel. And this is only the one name that I bring here because he wanted me to bring his name forth. But we have, like, several hundreds of the same all over the province — I guess thousands.

Anyway I want to go through it quickly because we're trying to get as much done as possible. I have two requests. One is a letter I got from a George Padbury at Aylesbury, also in March 23, over a problem with his crop insurance. And I know he contacted . . . and I'll just read you a little bit of the letter. He says:

I am writing you in hopes that you can help me get this dispute I have with Sask. Crop Insurance . . . settled. I feel I have not been dealt with fairly. I have tried to get this settled through my agent . . . and the Moose Jaw office for Crop Insurance but to no avail.

And I won't get into the details because he said he's had a couple of responses since this date. And then when I got this letter on March 23, I contacted Crop Insurance, told someone about this, and they said they would deal with him forthwith and he's heard nothing.

So to move things along, Mr. Minister, I will see tomorrow that this letter is in your hands — it's the only copy I have — and just ask you with your commitment to deal with this, get your officials to deal with this particular situation. Either he's right or he's wrong. And in knowing how Crop Insurance works, Crop Insurance officials will be able to say he's either right or he's wrong. And if he's right, for goodness' sake, get somebody to settle it. Could I have your commitment on that, Mr. Minister?

**Hon. Mr. Cunningham:** — Yes, certainly we will look into that immediately. If you can give me the name or the contract number we will look into it immediately.

**Mr. Muirhead:** — Yes, thank you, Mr. Minister. I should have had it photocopied and give it to you tonight, but it'll just take you . . . If we started talking about it in here a half hour would go by so quickly. And the other case . . . that case also from Aylesbury.

And then I got one from Hanley where it involves a problem with a Peter Dyck from Hanley. And it's where a father was ill this spring and there was some mistakes made and his whole story's in a page here and also a letter enclosed from the agent verifying that his story's right. And he's not getting any place with Crop Insurance.

And I'd also like to give you that same letter and ask you for your commitment, that you as minister has made under oath in this House, that you will see that this is . . . I'm not saying that it's going to be to his satisfaction, but at least they're going to be dealt with whatever is right. Either these people are right or they're wrong, and if they're right I'd ask you to take care of it.

**Hon. Mr. Cunningham:** — We'll give you that commitment to look into it. Certainly it's only fair that they get an answer one way or the other on it.

**Mr. Muirhead:** — Question I'd like to ask you. Why did you . . . tell me directly man to man — you don't need to ask your officials this — minister to an opposition MLA, why did you fire Jim Walters?

**Hon. Mr. Cunningham:** — The dismissal of or the letting go I guess of Jim Walters, however you want to put it, was part of a reorganization of Crop Insurance. The corporation had grown very, very rapidly. With the taking on of the GRIP program, the administration of the program had doubled. The value of money we were handling had doubled, and as a corporation growing very rapidly we had run into some management problems.

We had some rather serious problems in Crop Insurance when I took it over, and we needed to reorganize. We needed to change the management structure, and part of that structure, Mr. Walters was a casualty of that reorganization.

**Mr. Muirhead:** — Are you saying, Mr. Minister, that Jim Walters was a poor employee and didn't do good work? He was there for 20-some years. Are you saying he was a good employee or a poor employee, did good work or what's your officials telling you on that one?

**Hon. Mr. Cunningham:** — Mr. Chairman, the one thing that I demand from a civil service is professionalism. I'm committed to, in my departments, to build a professional civil service. I demand it from my employees, and I think in return I owe them the same courtesy to treat employees in a professional manner. And I think that commenting on an individual's work record who no longer works for the corporation is not a professional thing for me to do.

I think all I can say is that we needed reorganization. We had some problems there. And certainly without casting any aspersions on Mr. Walters' long and distinguished career, it was a necessary thing that we had to in the reorganization, to revamp our management team at Sask Crop Insurance.

**Mr. Muirhead:** — Mr. Minister, I think that the problem was — and you might as well admit it — that Jim Walters who has been there for 20-some years worked under I think three governments. He might have been hired under the Liberal government, but he worked through all the years of the Allan Blakeney government. He worked through nine and a half years of our government.

He worked for me when I was minister of Crop Insurance for three years, and I was legislative secretary responsible for another year. And I don't know of a better individual that did his job in a right and proper manner. You might as well admit it because he just happened to be a Conservative and believed in Fair Share Saskatchewan and his name went on television, and you fired him. And you might as well get off this here business of reorganizing. You just got rid of him, and you bring in some NDP (New Democratic Party) people whether they're qualified or not. Now why don't you admit that, instead of giving me this long rhetoric about your reorganizing. You've been saying that in this House for a long time.

Because we'll go to Geoff Bartlam and Ron Osika. Those people were not outward PCs (Progressive Conservatives) that they showed memberships and flashed them around, like did Jim Walters. But with Geoff Bartlam and Ron Osika, they weren't hired even under our administration. Ron Osika was brought in by Gordon MacMurchy. And he was just an excellent man and did his job right and proper and he knew he did. All he did wrong was he was a negotiator for a union contract, I understand at one time, and he kind of stood up for the union people out there.

So that doesn't go down with you socialist people, that if somebody kind of sticks up for a union or maybe against a union . . . And whether he did or didn't, he was doing his job on behalf of the union people that belonged to the union at Crop Insurance. You'd have no reason whatsoever to fire Geoff Bartlam. That man worked through . . . he wasn't brought in on our regime. He was under there under the NDP, came in under them. And he was there while I was there. We didn't get rid of him. And you just popped him for some reason or other. I think he must have been seen at a PC meeting or something like that.

So you don't need to stand up here, Mr. Minister, and feed this here line about this reorganization which turned out to be a mess out there anyway. It is absolutely a sham, your Crop Insurance, the way you're handling the situation.

I mean I know Crop Insurance has got a lot of things to do, but I'll tell you they can sure blunder up on their mistakes too. And that happens. That's only human beings. I mean my goodness you say you're running such a wonderful operation. I've got people that got the wrong cheques this spring on their GRIP. They were given a few dollars and had thousands more coming. There was a mistake some place. You've admitted it in here. Your staff can make mistakes no matter who they've got, and that's all right.

(2200)

But if any one of these three people have done something wrong, stand up and say so, and say why you fired them, instead of fooling around and say they were politically firing because that's what they were; they were political firings.

And if you want to say that Jim Walters was politically fired because he waved a blue flag and because he let his picture be on television while the election was on, that he believed as mayor . . . it had nothing to do with Crop Insurance. He was a mayor of the town. And he had his right to stand up on behalf of the town of Melville and say we want some more people to move into Melville. That's nothing to do with . . . and should never have fired him for that. And you did fire him for that. And will you admit it, Mr. Minister?

**Hon. Mr. Cunningham:** — Mr. Chairman, I think the members opposite make strange arguments. They go through a long litany of telling me that these were not patronage appointments.

And I guess they were probably not some of the patronage appointments of the past administration, although there were many of them. And I think obviously they were not patronage appointments because, as you pointed out, they were hired by governments far removed in previous times. Twenty-year career, the man's . . . People, all the ones that you have mentioned were obviously not political appointments, and therefore I don't see how you make your argument that they were political firings.

I think I would stack the record of our Crop Insurance Corporation this year up, I think. I'm proud of the way Crop Insurance has improved. I think the new management team out there, although it's new and is struggling again with a new program, is doing a very commendable job. And I think we've done some improvements. And part of that reorganization, unfortunately, sometimes results in people having to make a change of career.

**Mr. Muirhead:** — Mr. Minister, I'm not going to prolong it because I've made the point, and you have fired these people for no reason whatsoever. Why didn't you give them a chance? You got rid of them because you had to make room to bring in some of your own colour, and you know that. You had to bring in your own people; rightly so. But don't go making those promises at election time there'll be no political patronage.

Why didn't you get the Minister of Justice to stand up in this House and quit misleading the people and say, we have to let people go in all departments to get our own people in. Now if you had have got rid of all the Progressive Conservatives hired out there, I can see some sense to it; but in Crop Insurance, no sense to it at all because there was . . .

I definitely hired people out there from all stripes when I was minister of Crop Insurance, with all political cards. And we definitely, absolutely, definitely . . . and I was strong on that. I only fired one person in Crop Insurance, and that was the general manager, and he was fired because of insubordination because he wanted to retire. And I didn't blame him. He just wanted out, and so that's

the only person that got fired. And the rest of them, as long as they were doing the job, I left them there. Why couldn't you had the courtesy to have done that?

Anyway then, there's something I want to move on to very quickly here, is this business of not measuring the bins. I don't know where you got that idea last fall that you could get away with not measuring bins. You wouldn't have this tragedy in Thunder Creek right now with the guy that owes \$11,000 back if you had have been out and measured his bins. I mean you just don't do things like that.

It's just exactly the same if I smashed my car up tonight going home. And I look it over; well it looks to me like about the car's written off. And I want 10,000 for a car that's worth about five, so I just phone SGI (Saskatchewan Government Insurance) and said, send me a cheque for 10,000. Business and the business world doesn't work that way, Mr. Minister.

And if you just try to make it political . . . What you done is fired a bunch of adjusters last fall that you thought were political appointments and didn't measure the bins, and you're going to cause yourself one awful, big trouble out here. You're going to have . . . The auditors are going to pick up this person and that person and miss about 40. It's terrible out there that one person's going to get measured. And it's not his fault. He feels like a crook if he owes the money back. What's this man from Thunder Creek going to feel like, Mr. Minister, with all this measuring going on? He's done the best he can. And then all of a sudden there's a mistake made, and you admit it on your behalf. If you had had a Crop Insurance adjuster measure those bins last fall and the same thing right across this province . . .

The farmer from Swift Current can chirp away all he wants, but I don't think he's been farming for a few years. I don't think he understands crop insurance, but I can tell you that you're making one awful mistake by not measuring bins before you pay. You have somehow or other got to get the bins measured. You wouldn't think of paying out a crop insurance claim without measuring those bins. It's always been, ever since 1962 a man could not collect until his bins were measured, and the grades — sent the grade away.

You didn't say to the farmer, what grade do you think it is? Well he said, I think it's no. 1. And then the adjuster said, I think it's no. 2, or the farmer may say, oh I think mine is no. 4 — I'll get paid more money. You can't do it that way. They're not qualified. Every sample was always sent away and some of the people around you know that. The samples were sent away and I hope to goodness Crop Insurance is still doing that.

And then in GRIP '91 I admit that you had to measure those bins, and it was costly. But are farmers not worth that extra cost? Everything you people have done is just cut back so it hits into a farmer's pocket-book. You don't care. That's maybe the wrong word for me, that you don't care. You got your message from the front row. You're being told by the Premier and the Minister of Finance, you and the Minister of Agriculture have been told that you've got to tighten up on these farmers and make sure this

doesn't cost so much money.

Now the question I want to ask you, we'll take a scenario that you must have used. The '91 GRIP would have paid X amount of dollars out to Saskatchewan farmers under a certain circumstance. In the same circumstance what would '92 GRIP pay out to farmers, excluding the crop insurance?

**Hon. Mr. Cunningham:** — Mr. Chairman, we don't have those numbers. We haven't had . . . We don't even have one year's numbers to work with. We don't know what '91 GRIP is going to pay out because we don't have final numbers. So we don't know even what '91 is going to pay out last year, and certainly don't know what the '92 will pay out in '92. So it's different circumstances and different yields. It's very difficult to have that analysis.

I just want to make a couple of points about the measuring of the bins. I think our government would sooner pay 6 or \$7 million into the pockets of farmers rather than into measuring bins. I think that's one of the changes we made to the program. We said if we can do away with the bin measuring, we can save money that will go into farmers' pockets rather than into administration. And I think that's one of the reasons we've made the changes.

The members opposite, when they defend the old program even in the House here, have pointed out to me that some certain farmer didn't fertilize his land, and then they're suggesting that we should be out checking how much fertilizer each farmer is using. So not only under the old program would we have ended up with bin police, we would probably eventually ended up with fertilizer police and then spray police, and eventually all the money would be going into the program and none getting through to the farmers' pockets.

And I think, when you have tough economic times, that's one of the things you have to do, is design programs that pay money directly to producers rather than into the administration of a program.

**Mr. Muirhead:** — That's a real line and you know it is. There's just absolutely no facts or foundation to what you're saying at all. You know that in 1991, when the GRIP came out, that the officials said with this type of a crop, so many tonnes of wheat, and there was an average, and they had a dollars and cents, what it could pay out to the province. Surely to goodness before you go change a whole program that you would have looked into what it would compare to, how much less the farmers were going to get. Because we know that your Premier and the Minister of Finance and your Minister of Agriculture said the program is too rich. Well did you go and change a program to '92 thinking, not figuring it out that they're going to get more or less?

It has to be less on the same circumstances. We know, Mr. Minister . . . I'm a farmer and I know if wheat only ends up at \$2 a bushel, that's going to be a bigger pay-out. And if it goes over \$4, it isn't going to be any. But you must have figured out, here's the guarantee on the '91 GRIP. It was guaranteed; every farmer in Saskatchewan was guaranteed between their wheat and their GRIP program, here's how much money. Well now you must have taken

that same type of a crop . . . you know what the bushels were last year in Saskatchewan. You know what the scenario was with the departments of Agriculture and Crop Insurance used. Your officials, if you didn't fire them all, they would be able to tell you, and I think you've got a couple or three very capable people with you, that could tell you what the dollars and cents for the '91 GRIP is going to be.

So in comparison to that same type of bushels harvested, you should be able to say what the '92 GRIP is. Because the Minister of Agriculture, he had no problem standing up in this House, said I can tell any farmer right to the dollar what he's going to get out of revenue. See if you've got the magic figure. See if you're smarter than . . . as smart as the Minister of Agriculture. Because he said, oh I can tell you. See if you're as smart as he is.

**Hon. Mr. Cunningham:** — No, I'm probably not as smart as the Minister of Agriculture. He's a very clever man.

I think, Mr. Chairman, that there is no guaranteed pay-out as from the point of Crop Insurance. You could say the farmer had a bottom-line guarantee but there is no way of predicting the exact pay-out from '91 GRIP. This is where . . . a year later already, and we still can't predict exactly what we're going to be paying out in '91 GRIP because we don't know the final prices of the grain yet. And each year as the crop yields vary up and down, then the pay-out varies that we make to the farmers, depending on price and on yield. So it is almost impossible to say what, in a particular year, it's going to pay out. I say we don't have 10 years of data, all we have is one year which we don't even know what that pay-out is going to be. I can tell you that in certain circumstances, the pay-outs would be equal, in certain circumstances, the pay-outs might be less under the new program.

What I can tell you is that pay-outs to farmers only come from one place. They come out of premiums. And if you have larger pay-outs to farmers means you have larger premiums from farmers and you have larger premiums for provincial governments. And if you have programs that distort the acreage that is seeded, if you cause shifts that don't reflect the market-place, that means greater pay-outs to farmers who don't follow market responsiveness — who grow the wrong crops for the conditions — and that means ultimately higher premiums for other farmers. It means higher premiums for provincial governments. It means higher premiums for the taxpayers of Saskatchewan and the taxpayers of Canada.

**Mr. Muirhead:** — Well, Mr. Minister, if you only realize what you're putting on the record. Because we have the Minister of Agriculture responsible for the GRIP program, he's saying that we don't know for sure . . . he says one time we know for sure what the '92 GRIP's going to pay. And then when his Bill was up here in the House the other day in his estimates a while ago, we had to get him to admit that we won't know what the '92 GRIP final is going to be until January '94.

And then you said, well the '91 GRIP's no good because you don't know. It's exactly the same as the '91 GRIP. You don't know exactly . . . we know the dollars and cents the farmer's going to get. You know exactly because if he's

insured for 125 bucks an acre, between the wheat and the GRIP he's going to get 125 bucks an acre. Your program doesn't do that.

All the GRIP program is, is whatever . . . it's just a gamble in the price of wheat. It's got nothing to do with good management or whatever at all. I mean we've been through that, I'm not going to get into that any more.

But you said that money comes to pay the farmers from premiums. Well, sir, I'll tell you, what a joke. To say that money all comes from premiums . . . here we got the Premier of this province, the Minister of Finance, Minister of Agriculture say taxpayers can't afford it. Now you're saying it comes from premiums. Make up your mind for goodness sakes. Where does the money come from?

The member from Estevan has told you and told you and told you and tried to get commitments out of you people who don't answer questions, but I got faith in you, Mr. Minister of Crop Insurance, that maybe you can stand up here and say, yes, just like you said a few minutes ago, crop insurance is funded by premiums, not that you go pay out a billion dollars in 1991 or 1992, and the poor taxpayer can't afford it. For goodness sakes, '91 GRIP was figured over a 10-year program, the premiums to cover itself.

And now you say you can't have '91 GRIP because the taxpayer can't afford it. Now you get up here and say everybody knows that it comes from premiums. Make up your mind. Which way is it? Is it from premiums or taxpayers? Which way is it?

(2215)

**Hon. Mr. Cunningham:** — Mr. Chairman, it's obviously from both. There's only one place premiums can come from. That money goes into the pot. It doesn't come there miraculously. It comes from farmers, and it comes from the province of Saskatchewan and from taxpayers. And that's how the money gets in the pocket of the farmers who take out. The farmers put some in and the taxpayers put some in. That's the only way you can get money in the pot.

The '91 GRIP, the old GRIP program, stripped of its bells and whistles that were given in just before the election to make it look attractive, was a program that was not adequate. It was also not actuarially sound. I think when the minister — and some of the members opposite will know this — when they were selling the program, they were saying that it was probably going to a basket approach in a year of two because it wasn't actuarially sound in the way it was.

And you can't draw money out of a fund and say well there's a big pool, a big hole there and a big deficit, but don't worry about it because it'll come back out of premiums. Well certainly it will come back out of premiums — higher premiums for farmers, higher premiums for taxpayers. That's the only way the money will get in the pot to cover the deficits.

**Mr. Muirhead:** — You said that so many times in this House, Mr. Minister, that the taxpayers are the farmers.

Well of course the farmers should be paying the premium. If I insure my house, I don't get my neighbour to pay for it. You don't get some worker in the city of Regina to pay for the crop insurance premiums.

Crop insurance has always been . . . It started in 1962. And it's always . . . when I took over crop insurance, we had, after a series of many good years . . . and it was a tremendous fund built up. But we had so many poor crops in the early part of the '80s that we soon were calling on the federal insurance fund to cover the losses.

But you people misrepresenting the people of Saskatchewan saying . . . and you made all the non-farmers think oh . . . I've got a letter from somebody the other day that heard me debating in the House here when I challenged somebody that write in to say they're against '92 GRIP, write in to say they're against or in favour of it. And why. Well they wrote me a letter and yes, I got a letter. But the only reason they were in favour of the '92 GRIP, it's going to cost me, the taxpayer, less money.

Well that's coming from this rhetoric from you people. You keep saying the taxpayer. Tonight you say the premium. It's the premium, but then you said, well the farmers are taxpayers. They're the taxpayer that's got to pay the premium, for goodness' sakes. You got that choice for crop insurance, 50 to 80 per cent coverage. I mean I just don't understand.

You keep talking about all these . . . I'm going to let some of my colleagues ask a question here. I want to get off of this, so I'm just going to ask one final question. You don't seem to understand that the farmers are not with you on this '91-92 GRIP. They're not believing you about crop insurance being run in a right and proper manner. Were you at Melfort the other day? Were you there, Mr. Minister?

**Hon. Mr. Cunningham:** — Yes, I was in Melfort, Mr. Chairman, and I believe that the farmers are not all happy with the new program. Some of them are displeased with it. Part of it, I think, is because of they're comparing it to a program that they weren't going to get anyway. They're comparing it to last year's program where the price was set low in the fall before the election where the federal government picked up 25 per cent of their premium before the election and where the premiums were going to go up substantially higher this year than they would have when they were last year. The program, we had a bumper crop last year, and the program still run on a deficit, which means higher premiums for farmers.

Again you're quite right, the farmer pays higher premiums. He also pays higher taxes because he's also a taxpayer. So do all the other taxpayers have to kick in. That's the way the premiums work. Part of it's paid by the farmer, part of it's paid for by the taxpayer. We do want . . . you're right, when you buy insurance for your house, you want to buy insurance that covers your house. But you don't also want to pay a premium that's worth half the cost of the house every year to get you covered.

And that's where the old program was heading. Because if it doesn't result in market responsiveness, if it distorts the crops that are grown, then the premiums go higher

and higher and higher. And you don't want to be into a program where people are allowed to burn their houses down because if you do, your premiums will go up and up and up. And I think that's the logic of this.

**Mr. Muirhead:** — I understand, Mr. Minister, I understand the logic of it. And last year, in 1991 we had one of the biggest crops on record and the farmers collected an awful pile of money. They collected a large sum of money. If we had have had a 1988 crop it would have been a tragedy for somebody to have to pay. There would have been some insurance funds have to be drawn on it. But that's exactly what it was for, for emergencies for farmers.

We didn't get a 1988 crop. But you people were frightened to death that over the next four years that your Minister of Finance isn't going to be able to balance the budget if you had one 1988 crop in those four years, so we better toss it to those farmers. So don't you tell me that you done it because the premium is going to be too high. Because on the 1991 GRIP it was for a guaranteed price for farming, the same as they got across the European and according to the GATT agreements and the United States of America. The farmers have to know where they're at.

And you took that guarantee away from them. You just stripped them of their guarantee. That's the difference between the concept of you people and us. We believe that the farmer had to have a guarantee between the price of GRIP . . . between the price of wheat and GRIP. They have X amount of dollars and cents, and you left them out there, I'll tell you.

If this here . . . we don't know the consequences of this frost. And if there's farmers out there that haven't got any coverage, there's going to be thousands of farmers that haven't got enough coverage compared to '91 that are going to lose their farms and there's going to be tragedies. I'm looking to absolutely be a disaster on your government.

We should be sitting here laughing to ourselves in opposition. We should be saying, it's great. Because we should say, well that's going to get rid of the NDP. But that's not what my motive is. My motive is for those farmers. I love people and I've been working for them and try to help them. And your 1992 GRIP is not helping anybody.

And I'm not going to ask any more questions. But I'm making this comment when I sit down that our colleagues, four of them are at Melfort. I had people from my riding, I've talked to other people have been there. And out of whatever amount of people was there, there wasn't one in that crowd that they could find that thought you people were doing right, especially when the type of legislation . . . So don't think you're standing up here, got farmers pleased. They're very displeased right across this here province of Saskatchewan.

**Mr. Martens:** — Mr. Chairman, Mr. Minister, I have a number of questions. Thank you. I have a number of questions, and I'd like to start by asking questions about how many contracts there were in 1991 under each of the programs in the combination of crop insurance and

revenue insurance, those farmers that had revenue insurance on their own, and also just the people who had just crop insurance. I'd like to have those figures first of all.

**Hon. Mr. Cunningham:** — Mr. Chairman, the numbers for '91, there were 48,548 who were in GRIP. I assume that's a combination. There were 208 who were in revenue insurance only. There were 2,932 who were in crop insurance only, and there were 3,750 who were in livestock feed insurance only, for a total of 54,944 customers in 1991.

**Mr. Martens:** — Would you mind, I didn't have a chance to copy that all down while you were giving that to me. Would you send those numbers over, and while you're doing that, would you also provide for me the volumes of contracts that are in the various categories in '92 GRIP too.

**Hon. Mr. Cunningham:** — I think . . . do you not have those numbers? Did we not send those question numbers over at some point? We'll send them over; I just don't know if we have two copies. You might have to make a copy. Okay, we'll send the '91 over.

The '92 total GRIP, that's a combination, 40,582. Crop insurance only, 5,088; and revenue insurance only, 1,900. We don't have . . . (inaudible) . . . We can get that for you.

**Mr. Martens:** — On the contracts that were issued, do you have any numbers that relate to the volume that would have used the Crop Insurance service centres versus agents? Have you got any numbers on the volume that individuals preferred to go to the Crop Insurance service centres rather than the agents?

**Hon. Mr. Cunningham:** — Basically all of the customers went through the agent. There may have been a small number, as low as 1 or 2 per cent, that went directly to a CSO (customer service office) office but basically all the customers this spring went through the agent system.

**Mr. Boyd:** — Thank you, Mr. Chairman. Mr. Minister, I wanted to pursue a little bit along the same lines of questions that we were dealing with in question period this afternoon with respect to the final payments for the GRIP '91 program. You've had a little bit of time to reflect on question period. Maybe you've been able to look at it a little bit differently.

What we were getting at this afternoon in question period was the GRIP '91 pay-out formula. We recognize with the board grains that the pay-out obviously is going to be in January or February of '93. We recognize that as a result of the fact that the calculations from the Wheat Board have to be done and all of that sort of thing and that's why that is the time frame.

What we were asking about in question period that you didn't pick up on was the pay-outs on speciality crops. We were . . . and speciality crop growers in my area were advised through the Kyle office that — Kyle customer service office — that the pay-outs on the speciality crops, final payment GRIP '91, were going to be made in August

or September, probably September.

And the reason was that they could . . . the reason they could be paid out sooner than the board grains is obviously there doesn't need to be a calculation by the Canadian Wheat Board. The crop is essentially sold, the volume of production has been determined in large measure, I would suspect, by the trade, so now farmers find themselves in the position where they had been told by the customer service office in Kyle that they would be getting a payment on their specialty crops, not on their board grains, on their specialty crops in August or September, right now. And now they find themselves in a position where they've gone out, made arrangements for financing, all that sort of stuff, based their cash flow projections on a GRIP '91 pay-out on the specialty crops in August or September. Now they're being told by your officials now that that isn't going to be the case.

I'm wondering if you could clarify that for us and also explain to us the reasons why that change was made.

**Hon. Mr. Cunningham:** — Mr. Chairman, the pay-outs are under the federal-provincial agreement. We make pay-outs based on numbers given to us by the national grains bureau, and we were certainly hoping to have those numbers because they can be, as you say, calculated as soon as their grain is all sold and the crop year is finished. We do not have those numbers, and I will be pressing the federal government to forward those numbers to us so that we can make the payments as quickly as we can.

(2230)

**Mr. Boyd:** — Well, Mr. Minister, that's all well and good, but the problem still remains. The problem is that officials from your customer service office in Kyle have been telling these folks that they can expect a payment, and now they're having to go back and tell exactly the same folks that they can't expect their payments. And so there are some serious problems obviously. They're wondering what's going on here.

They were promised the pay-out, so they went out in the spring and based their cash flow projections and their banking arrangements on anticipated pay-outs in August or September, and now they're not getting that pay-out as they expected. And obviously if they're going to have to wait until January or February, I think they'd appreciate knowing that.

I'm wondering if you'd take it upon yourself to clarify the situation for farmers. Make some definite date, and if it's going to be January or February, let them know it's going to be January or February. But right now it's sort of up in the air, and you're saying well we're waiting on some numbers from the grains bureau. Well maybe that's true, but I think you have to be a little more concise than that, particularly based on the fact that your officials have told them they're going to get a pay-out sooner than that.

**Hon. Mr. Cunningham:** — Again, trying to clarify it, the situation is . . . I can't promise the farmers any pay-out because I can't make a pay-out until we get the numbers from the national grains bureau. And I think if the member

opposite would help me by writing a letter to Mr. McKnight and urge him to hastily get us those numbers, I think it would be helpful.

**Mr. Boyd:** — Well I'd be happy to write a letter to Mr. McKnight on that, but I'd also be happy if you would provide a little bit of direction on this thing for your department officials. It's your people that you have direct responsibility for that made those . . . or provided that kind of information to the farmers out in my area through the customer service office in Kyle. And if the information was incorrect, I think the very least you can do is clarify the situation, put out a news release, whatever, suggesting that there may have been some misinformation been given to farmers with respect to pay-outs for the specialty crops, when they could expect their final payment, and you're waiting on the information based from the national grains bureau, at least so they have an idea where they're at.

The call that I received today was from a number of . . . from one single farmer on behalf of a whole host of farmers, specialty crop growers, in the Kyle, Elrose, Rosetown, Kindersley, Eston areas. Basically all were receiving or hearing the same information coming from that one office. I don't know whether that's the only office either, Mr. Minister. That's the only one that I'm aware of. There may have been other offices that have been giving out that same information, and I think at the very least a news release from your department would be in order.

**Hon. Mr. Cunningham:** — Well certainly, Mr. Chairman, we will be . . . certainly like to keep our customers informed as we can. It's a little difficult. We were expecting those numbers to come to us and we don't know . . . I could issue a release, and I guess we can try to inform them that we are waiting for those numbers. I can't give them any guarantee as to when they'll be here.

**Mr. Boyd:** — Well can you give us the assurance, Mr. Minister, that you will make an effort to clarify the situation with those specialty crop growers as to when the pay-out structure is going to be. Now I realize you're going to be waiting on the national grains information, but can you give us some assurance and the specialty crop growers of the province that as soon as you get that information, you will be making a pay-out, or are you going to wait until January or February, the same as board grains?

**Hon. Mr. Cunningham:** — Mr. Chairman, we will certainly commit to make that payment if we get the numbers. The information that we're getting from the national grains bureau is that we may well not get those numbers until January, and certainly we're working on trying to get that number sooner so that we can make this pay-out sooner because farmers certainly are in need of the cash.

**Mr. Boyd:** — Well I'd certainly agree with you there, Mr. Minister, and we'll take that as a commitment from yourself and your department that if the national grains bureau is able to come up with the information sooner than January or February, that you'll be making an immediate pay-out on the specialty crops.

I think that also may extend beyond just specialty crops. Probably canola would fit into that situation as well. Perhaps even . . . well no, I think feed grains, I don't think we could expect it to be in there. The Wheat Board would have to make some calculations. You might want to look at that situation as well. But certainly canola and then the whole host of specialty crops that are grown in the province.

**Hon. Mr. Cunningham:** — Yes, I think any crop that is not sold by the board, including canola, flax, and rye and all the rest. If we can get the numbers, we can make the pay-outs.

**Mr. Boyd:** — So you'll give that commitment, then, to the specialty crop growers and any information that you receive from the national grains bureau on the production levels, you'll be able to make your calculations then, and then the farmers will be able to expect payments as soon as possible after that, even if, with respect to the board grains, if it's different time frame than the board grains.

**Hon. Mr. Cunningham:** — Yes. Certainly we will attempt to do that. And if and when we can get some firm answer from the federal government on when the numbers are coming, we'll also pass that information on so that farmers can plan on when they're likely to get the cheque.

**Mr. Boyd:** — Well thank you, Mr. Minister. I think that's helpful. And I would also perhaps just like to pass on a piece of advice. I think it's important that this be dealt with. I think there's millions of acres of grains here that we're talking about, flax, canola, and all the specialty crops. So there's certainly a large percentage and a big chunk of money that would be going out relative to the '91 program on this.

And I think it's critically important that the situation be cleared up because, as I've said, there's people that have made their financing arrangements, and at least if they have something to be able to go in and say to their banker, look, we anticipated it; we were advised that it was going to be August, September. We were anticipating it. I understand now that there's been some change in that. The minister is suggesting as soon as the information is available from the national grains bureau there will be a pay-out but I don't know when that's going to be and neither do you.

And that's fair. But at least they have some indication that they can sort of take into their banker and say, well here's the circumstances. It didn't work out the way we anticipated it was going to work out, and as soon as that information's available the minister has said there's going to be a pay-out and we'll be able to meet our obligations as soon as that happens.

**Hon. Mr. Cunningham:** — Okay. We will make that commitment.

**Mr. Goohsen:** — Thank you, Mr. Chairman. Mr. Minister, in light of the kind of crop conditions that we've had this past year, which is certainly unusual in many cases — although I guess in Saskatchewan you can always say that most years will predictably be unusual in some way — but there certainly have been some curves thrown at

some individual producers this year that might require some specific attention.

My direct question here is that, in the past, programs have been extended in emergency situations. For example, at one point the 80 per cent coverage was increased to 100 per cent in order to alleviate some emergency problems. Has your cabinet and yourself any intentions of moving into that kind of a program this year?

**Hon. Mr. Cunningham:** — Well I think, as the member knows, we are now negotiating with the federal government to try to come up with some sort of money to help in the worst disaster areas — drought, and now including frost areas.

**Mr. Goohsen:** — Am I to take it, then, that the only condition under which farmers could expect that type of assistance would be on the basis of getting money from Ottawa?

**Hon. Mr. Cunningham:** — That would certainly be the intention at this time. We're certainly . . . As you know we haven't even really assessed the full damage of the frost. We know that it's certainly going to be widespread, but we don't know the full impact of it at this time.

**Mr. Goohsen:** — I can appreciate that, Mr. Minister. But in all fairness to the producers out there, if a disastrous situation is at hand, preparing ahead has to be the better part of good planning. You've got to be prepared, I think, a little bit. And obvious, I think, at this point Mother Nature has shown you that there are problems out there that have to be taken care of.

My next question — and I'm not going to dwell on the 100 per cent because somehow I think you've got to get that going — but my next question is: where do you stand at the present time on write-offs of crops. For example, it used to be five bushels, and I think it probably is right now. And at one point they reduced that to three, and in some cases they said . . . Or I guess I got that in reverse. Instead of having to write it off at three, you increased it to five.

And maybe even in those circumstances this year where there is no hay crops, very much, and some of these crops might be coming at seven or eight or nine bushels, and there are livestock herds out there that may find themselves short of feed. Is there any consideration to increasing those write-off yields and writing those crops off and allowing producers some advance notice so that they could go and turn these animals out and let them graze?

**Hon. Mr. Cunningham:** — Mr. Chairman, as a matter of fact I've been discussing some of those very things with my officials today. One of the things that we've done in some of the frost areas, the crop deteriorates very quickly as feed value in some of the places where it's had heavy frost, and it needs to be put up for feed within four or five days. If it's going to do that, we are telling the producers in those situations to go ahead and leave test strips. We're looking at moving adjusters into the areas and so on.

And one of the things that certainly we can look at is the

minimum allowable for write-offs. And we haven't come to a decision on that but we are certainly looking at it.

**Mr. Goohsen:** — Thank you, Mr. Minister, for that comment. But here again we return to one of the oldest problems that Crop Insurance has provided to farmers and that is the uncertainty of the program, the uncertainty of what can be done and what will be accepted to be done and still be paid.

You say to a farmer, leave a check strip. So he goes out and he rips up 80 acres of crop and the check strip is ruled to be a half a bushel over what Crop Insurance says is the base line. And then the farmer loses all of that field for all intents and purposes because he's used it as feed, and he's off on his judgement. And he takes all that risk on himself when in fact Crop Insurance has to almost guarantee that inspectors will be out there to look at these crops and make a ruling immediately on those that are borderline. It's easy on a crop that's, you know, totally shot. But a lot of these crops are going to be very borderline and that decision is going to be an extremely difficult management decision to make, and I'm suggesting to you that the people need to have more, especially now probably than ever before, some assurance that they are making the proper management decision because every little thing you do wrong now ends up losing you your farm. There's just no room any more for any mistakes of any kind. And so putting the onus of responsibility onto the farmers to discover or take the chance on whether or not this crop is going to be over or under a particular line is just too much to ask.

And I wonder if you can't commit to the farming community that you could get your people out into the fields and have them look. I'm sure you have a whole background of individuals who have been trained in the crop insurance area that you could draw on as people to put back into the work force to do some immediate adjusting. We happen to know of several individuals that were employed last year that I don't think would be too unhappy to be called on to do a couple of weeks work in an emergency situation. Could you give us an answer on some kind of a commitment in that area?

**Hon. Mr. Cunningham:** — Well, Mr. Chairman, we have something over 500 adjusters who are out working right as we speak, I guess. The problem being that the area that was hit by frost was very large and, as I say, some of the feed value of the crop deteriorates very quickly, so it requires very rapid adjustment. We are in the process of hiring some additional staff but the check-strip system is really the only alternative that we have, given the time lines to work under, but we're certainly struggling to adjust and to help and assist the farmers in every way we can.

**Mr. Goohsen:** — Well, Mr. Minister, I refer again to the past because that's the only guide we have to work from. And there was a situation at one point where an awful lot of crop was in a questionable state. And what was assured to farmers at that time was that Crop Insurance, while they had to have guidelines, would be very flexible in the use of those guidelines if farmers, in fact, were fairly close.

(2245)



In other words, if they were off by a half a bushel or a bushel and the crop was already basically used as a feedstuff, it was sort of agreed that the adjusters would be allowed to have a bit of a blind eye and allowed some flexibility to not be hard and fast on that line.

Now I know that's kind of an awkward position to be in to say that you're going to have a line that isn't a line, but at the same time it does provide the flexibility that a lot of farmers need in order to make that choice. What do you think about that idea?

**Hon. Mr. Cunningham:** — Certainly we're trying to be as flexible as we can and we'll certainly ask our adjusters to use common sense. I think one of the things that's somewhat different than the past is our federal-provincial agreement binds us much more tightly now than we have been in the past. We cannot make some of these changes without the agreement of the federal government, without hanging the province up for some huge costs. And that all takes some time to work through the system. But certainly we want to work and be as flexible as we can.

**Mr. Goohsen:** — Well with all due respect, Mr. Minister, I seem to have a bit of an idea why it comes in at minus D, or whatever, on the rating chart, because farmers are simply going to grade your record on performance and that performance is going to be graded on some commitment to them.

And I think you have to make some commitments in these tough times to take the onus of responsibility for management decisions off of the heads of farmers who are put basically with their backs to the wall.

I want to get on to another question. If, in fact, these frozen crops are in a harvestable state yet, and come up with rather good yields but of very poor quality, we could find ourselves with an awful pile of frozen damaged grain that will have no immediate markets. That type of grain — as you as a farmer with a farm background will know — often times, if it can't be sold this year it can be held over to a second year, and in the second year, if a decent crop comes, then you can blend these grains off and you can make them marketable that way.

Unfortunately for the individual caught with those kinds of grains, he has no cash flow, and yet they are valued by Crop Insurance so he has no cash flow. They will be valued by the revenue portion of the GRIP program and they will, of course, have no revenue again. Is there any contingency plan for those types of situations to provide some kind of emergency assistance to these farmers?

**Hon. Mr. Cunningham:** — Well one of the things that we would certainly be calling for is the reinstatement of the cash advance program which would help in that situation. I think that's a problem. The member opposite will know that, of course, under crop insurance that the grain is prorated by grade so that it takes a larger volume of grain to bring up your allowable yields under crop insurance.

But certainly that is a problem that can happen. It may not

necessarily happen. We may be able to move some of those low-grade grains, but it certainly is a situation that has happened in the past. We do our best to deal with the situation.

**Mr. Goohsen:** — Now, Mr. Minister, the cash advance program is certainly a good program and we welcome the federal government doing that for us. But — and I think that I speak for a lot of farmers when I say that — the reality being though that you have to pay back the cash advance as the quotas open and if you don't supply the grain to that quota, irrespective of the fact that it's damaged by frost and not considered marketable, you are responsible then as a debt to the Wheat Board, and they at that point start to charge you interest on your account if you don't deliver some grains. So that program in itself isn't going to solve the problem that I was discussing with you.

I want to get on though with another question because I don't think . . . you can respond to this if you want, but I don't think you have an easy answer at the moment.

In the South, as you will recall last spring, there was a serious drought situation, and the seriousness of that drought situation resulted in the fact that we had uneven germination. We have two and three crops growing basically in the same fields, at different stages of development. Now we have some of that crop that is ripe and prepared to swath.

The farmers that I have heard from today through my constituency office are very much concerned as to the management decision, again with regards to crop insurance, as to which crop they should attempt to harvest. Approximately half the crop is ripe, and the other half is in two other stages. If they make the management decision to harvest the first crop, they will be destroying the second and third ones. Is Crop Insurance going to give them some kind of indication of a ruling that would be acceptable to Crop Insurance as good management practice if they take the first crop? Or must they now wait for the second one and try to capitalize on the majority or the bulk of yield?

What position should they take? Or what decision should they take is what we're asking you because they are afraid that if they make this decision, they might find themselves ruled against by Crop Insurance as having made the wrong management decision and have their yields prorated according to what was destroyed by that wrong decision.

**Hon. Mr. Cunningham:** — Certainly as a Crop Insurance Corporation, we are not in the business of telling farmers how to make a decision. Those choices will have to be made by farmers. We will certainly be not ruling that one or the other is better. I think the only time that Crop Insurance will discount farmers for bad farming practices is when it's blatantly obvious that there was no attempt made to farm in a reasonable manner.

There certainly would be . . . I foresee no problem whatsoever in the farmers making a choice as to how to best harvest that yield and then depending on the whether one choice or the other may be the wise one. But I don't

think, as Crop Insurance, we would be making any attempt to judge which way a farmer should go.

**Mr. Martens:** — Mr. Minister, I have a question that relates to the probability of a pay-out under revenue insurance in those areas that have been impacted by frost at this time. We'll take an area like Kindersley, which is a large area. And I think that they're probably about 50/50 with durum and wheat. And can you give me the impact that . . . and I'm not going to use this as an example out in the country.

What I wanted to know was, what impact the lowering of the grade and the volume, because of that, will have on the revenue insurance payment because they have less grain to market? Can you give me the probability, not on the price side, but on the volume dollars . . . by referring to price, I mean the price per bushel. Could you give me an idea on the volume of dollars that that area would be reduced by the very fact that they had frost in that area so that we would know? It'll impact less in the canola areas because the margin is less. But on a general sense, in wheat, what would it do in a given risk area?

**Hon. Mr. Cunningham:** — Mr. Chairman, I'm not sure exactly what the member is after. I think the revenue insurance payment will be based on the grade across western Canada. So the frost should have, assuming a constant price level, have no influence on the pay-out under the revenue program.

**Mr. Martens:** — Okay, then I'll ask the question a little different. If a given area like Kindersley which has an average in durum of 35 bushels to the acre, if that is the average across . . . and they would have a drought — we'll ignore the frost — if they had a drought and they had 10 bushels to the acre, would there be a variable change in the volume of dollars accruing to that area that would have been there if they would have hit the average or if they would have hit the 10 bushels? Can you give me that difference in the revenue insurance portion of what we have for GRIP today?

**Hon. Mr. Cunningham:** — Again the yield will not have an effect on that revenue payment. The revenue portion of the payment would be the same regardless of whether he had 10 bushels or an average crop. The Crop Insurance, if he had 10 bushels, the Crop Insurance portion would kick in and it would be a payment out of Crop Insurance.

**Mr. Martens:** — Okay, I understand that. Then there is not going to be an impact because of the volume change. But is there going to be a variable if you have a grade variable in that area?

**Hon. Mr. Cunningham:** — Because the grades are . . . the pay-out is determined on the price of all the grades. So if the frost is widespread as it is, that will likely mean a higher revenue pay-out in that area. If the frost is local, it would have no influence. But as widespread as it is, it will likely make the revenue pay-out higher.

**Mr. Martens:** — Why would the revenue payment be higher if it's a broad-based one? I'm not sure that I understand you.

**Hon. Mr. Cunningham:** — The revenue pay-out is based on the average pay-out of all the grades of grain. So if we have frost and we have less, our average price will be calculated out . . . we'll calculate it out at a lower value and therefore there will be higher pay-out to bring it up to the IMAP (indexed moving average price) prices.

**Mr. Martens:** — It'll be higher because you got to go up to a grade 2 standard on the volume, okay, on the quality.

Okay, there have been questions asked by the member from Thunder Creek and Arm River about certain incidents that happened. But I think it's far more general than the specific ones that they've talked about. We have and I've talked to quite a few people who have had quite a payment in, well Christmas time of '91, December '91, they received a bill or a statement that included a bill or some of them had next to nothing.

And now they have sold either their grain, or they have a portion left over. And here's what a lot of people are telling me. And I'm going to use my own as an example because I have . . . and this is actual. The adjustor came out, and it was 32 bushels of wheat average, 92 on our oats and 40 on our barley. We had no quarrel with the barley. We had no quarrel with the adjustor on the oats. And on the wheat we said, well we figured it was a little high, but we'd leave it at that. But what came down from Crop Insurance . . . and that was in October or November whenever the adjustor came out. And it was earlier because we feed our oats and our barley.

The crop insurance in March set out a statement that said our average on our wheat was 35, going from 32 to 35. Our oats was 98, and our barley was 40. We had no quarrel with that because we had agreed with what the adjustor said. We fed the oats, so we can't prove to you that you're wrong on the oats. When we hauled our wheat in it was 29. So what you have . . . and our average is 26.

So you're six bushels out on your estimate. On 1,000 acres that's a significant amount of money. And yet when we went to Crop Insurance in March and asked them what we owed them, it was just like the member from Thunder Creek said. They told us that they were expecting to pay us a payment which was the difference between 32 and our yield.

(2300)

And when we got to that point, no they said, no 35 is what you've got in there according to our calculations. And so we had to pay an additional premium in order to have GRIP for '92. We had to take that difference that we had gotten the cheque for in December. We had to plug that in. Plus we had to do an additional amount of money in lieu of that.

Now that has happened in a significant amount of places. And I raise this as a point where I believe that you need to take some very serious consideration about how you handle the interest in relation to those kinds of individuals who have had that happen to them. Like they . . . a lot of the people were given . . . and that was a good thing to do

to give them an opportunity to stagger their payments so that they could do it that way. That was a good idea.

But what in fact is happening is those people will be paying interest on money that they should have received in March and in fact they had to pay it out in a premium load. And that is a very difficult thing to explain to the customers in these crop insurance areas. And there's lots of those like that and I'm not raising it to be contentious, I'm just saying that this is a point I want to make.

The second thing that I want to make as a point is this. Using my example of 26 on an average and if across the province last year there was a 26-bushel average roughly — 26 or 27, and we'll just talk about wheat — if that was the average and there was one bushel over on 20 million acres, let's just for practical purposes, because it's late, talk about the 30 million acres that are seeded. If it was 26 bushels an acre average and there was one bushel over, that one bushel at \$4.15, if it's one bushel over and you don't find that bushel, is \$128 million worth of wheat that you shouldn't have paid for.

If it's one bushel under the farmer loses. You follow me? And that is an extremely important part of why it's necessary to have the . . . the more accurate a measurement — well that isn't the right way to say it — the more accurate you can become in the measurements the more accurate is the payments and the less risk there is in having the customer out of his pocket or the corporation out of his pocket.

And that way you can save taxpayers' dollars if you're more accurate. And that's the point I want to make and that's the point that I've tried to make in talking to you about having adjusters go out. And I don't call them bin police. I say that \$128 million, that's 30 million acres at one bushel times four fifteen, and it would be more on durum so it's relative, but that's a significant amount of money to put at risk either to the farmer or to the corporation. And I think I'd like to have you respond to that because I think it's a very important part of what your responsibilities are.

**Hon. Mr. Cunningham:** — Just I guess responding in to a particular case. I don't understand why the yields would have been higher after they were back in the office unless the adjuster made a mathematical calculation error.

I guess all I can say about the measurement . . . and it's a bit of a moot point because under the new program it won't be necessary other than for crop insurance and to determine yields, to do measurements. In your case an adjuster measured and was out by 3 bushels.

We did a declaration later in the year which we think . . . and we're doing audits on both of them to see which is more accurate. And I think either case it's a very difficult thing to determine exactly the amount of grain, whether it's . . . particularly early in the year when you have all the grain there. And then you're absolutely right; it's huge dollars involved. I think overall for the province it tends to balance out, but certainly it's big dollars also for a farmer, and an individual farmer doesn't balance out. And we certainly are . . . you know, if we can find proof, we will certainly adjust them. And I realize the problem you say

where the oats are fed and then it becomes very difficult to correct.

**Mr. Martens:** — What I was going to raise with you, if you're prepared to go down the percentage from 35 to 29 on the wheat, we'd be prepared to adjust that on the oats too. But I'm not sure that you'd be willing to go along with that.

I have a question on people who have been excluded from service by Crop Insurance. And I have had two cases in my constituency where individuals have been caught for not doing the right thing as it relates to crop insurance. The one case the family have come to me on a number of occasions and have asked to be reinstated. And I would make an observation about that; and I think that members of the corporation will know of the family who I speak, too. They've had a long history of being involved there.

I want to just say this. At some point in time somebody's . . . each person serves his sentence for the injustice that has been rendered, and the court makes a decision — and they did — and now it's time to go on.

And I guess I would say that at some point in time, with close supervision and very accurate observations made to these individuals, it would probably be a good policy to start reintroducing these back into the system.

And I can . . . Well I'm sure your Crop Insurance people know who I'm talking about. But that is a significant impact on that one particular family to be excluded from all involvement in crop insurance. And I think they've been out for at least three years already. And I think it's my view, at least, it would be time for you to maybe re-evaluate and put them back on the list, but make sure that there's supervision in the details involved in it. Could I have a response to that?

**Hon. Mr. Cunningham:** — We do allow some people back in, and we look at the circumstances.

Our biggest problem with people being out of the program is for non-payment of premiums and so on. And it is a real problem because people who are unable to meet premiums, some of them through no fault of their own or certainly no intention of their own, get locked out of the program which then puts them in really serious problems because they don't have the coverage. And yet we have a problem with our federal-provincial agreement and so on, and in fairness to other farmers and good business practice, to allow people back in without paying their back dues creates a problem for us.

But certainly your point is well taken, particularly in the times we're in, and if it's a case of some wrongdoing, I think normally if they pay up the back dues that they would be accepted back into the program. But your point is well taken that we don't want to keep people out of the program that could well be in it and could be good, productive farmers.

**Mr. Martens:** — What I will do is I will provide you with the name after and then we'll work it through the system and see how far we get.

I have another question. It relates to forage insurance and particularly this year in the south-west. I know that there's a lot of pastures there was almost no growth at all. It's been really a strange year. I don't think I've ever seen it. It seemed like it put everything into it last year and nothing grew this year. So I'm not just sure why, but there are significant losses, I believe, that are out there. Have you got the adjusters working on that at all? I haven't noticed any around, nor have I heard of any. So I was wondering whether this was something that you were going to do in the next little while, or when you had planned on doing it.

**Hon. Mr. Cunningham:** — Those measurements should be going on right now, I believe, and the forage and the pasture clippings, we're doing those right at the present time.

**Mr. Martens:** — Would you have an idea when people should be thinking about getting some payments for that? Because the reason I say that is now is probably the . . . their shortage of forage and winter feed, the farmers would be able to use that money to buy frozen fields of grain in lieu of that at this point in time, especially along the west side. I think it would be a particular asset to cattlemen if that was a possibility. And I'd just like to have a response on that.

**Hon. Mr. Cunningham:** — We have to get, in order to make those pay-outs, get all the information in so that we can calculate the area averages. It'll probably be October before we get cheques out. Last year we had a problem with it in that we were deducting the total premiums from crop insurance and GRIP from their pay-out and left them with nothing with which to purchase forage. This year we will take off the premiums for the forage insurance only so they will at least have a cheque with which to buy some feed.

**Mr. Martens:** — In our going through the information that you provided to us, there is an observation that I want to make, and that is that you retired officially, and in other ways, a significant amount of people. I didn't count them but there could be 25 about in various areas. And as I went through the volume of these replacements, what you did is you changed the name of the area of responsibility and then you raised the wages.

I'm just going to make a point on Jim Walters for example. He went from 61 to 73,000 — 12,000 increase. Another one here, you went \$14,000 increase. You've got another one here from 37,000 to 48,000; from 37 to 48 on that one again. Have you got on hand the volume of dollars that it took to re-supply the individuals in the locations that they are in the job descriptions that you gave us? You gave us these job descriptions and you said this is what they were and this is what they're being paid now. You changed their name and increased their wages. I think I only found one that went down. Would you be able to give me the volume of dollars that it cost to make that transfer?

**Hon. Mr. Cunningham:** — Certainly we can. We don't have that particular calculation made. We can make it just by, I think, by calculating the total management salaries before and after. I think I just want to point out that we did do more than change the name. I think that

was part of the problem that we had at Crop Insurance. The corporation had grown and we didn't have certain skills — accounting, comptroller, computer skills, and those sorts of people that we needed. And we had to pay a little higher price to get those qualifications that we needed.

**Mr. Martens:** — Well I'm not completely sure that that's the whole answer. However what I will conclude with is your questionnaire. When are you expecting this to be completed?

(2315)

**Hon. Mr. Cunningham:** — On the questionnaire we sent out, I think we got back about 12 or 13,000 of them. We're past the date for cut-off. We're now analysing the data. They're being key punched in now. It probably will take about a month to analyse the data from the questionnaire. We sent out a supplementary one on forage which is not come in back yet.

**Mr. Martens:** — Well I have had a significant amount of individuals talk to me about the service that has been provided by these agents. And I feel fairly strongly that they have provided a very, very good service to the community. And I just wanted to say that I expect that that's what the data will tell us.

But I'd like to have the minister's commitment that we would receive the information from this and be able to take a look at ourselves. And when you do this, do you take it from various areas? Can you analyse the value of an individual agent in a certain area because of . . . and I don't want to know who it is, but where you know that the agent maybe hasn't been doing his job. Can you isolate that in your data to give us the information on that?

**Hon. Mr. Cunningham:** — Yes, I think we can supply you with the information when we get it processed. We don't have it on . . . we have RM (rural municipality) numbers which will give us an idea of an areas, but we don't have on individual agents.

Item 1 agreed to.

Items 2 to 3 inclusive agreed to.

#### Item 4

**Mr. Martens:** — There's consideration that I'd like Crop Insurance to take a serious look at on — the water-fowl and wildlife damage. I really believe that some of the monies could be used in premium rather than direct payment that the Crop Insurance Corporation could use . . . or the agency supplying the money, whether it's Ducks Unlimited or whoever, in certain circumstances could provide to the Crop Insurance Corporation a benefit from the premium side. And then individuals could put a rider on their crop insurance contract that they would supplement that by also having an opportunity to — just like you add a rider on your fire insurance or whatever — put that in there, and then the premium load would be coming from two places, not only from the farmer, but from the individual.

That way you would know who was involved. You could insure it before the fact and not have to deliver the money after the fact. And I think that that has a far better value than trying to do it \$2,500 here and \$2,500. It really doesn't amount to anything, and yet if you were to do it beforehand, the individual could help contribute in that instance.

**Hon. Mr. Cunningham:** — We certainly take that into consideration as one of the things I think we need to look at in Crop Insurance and in co-ordination with other departments. And one thing we're trying to look at with the North American water-fowl plan, where we try to get some of the money that's going into conserving wildlife to help compensate the farmers and to maybe take some marginal land out of production and cut down the damage to farmers who are farming.

**Mr. Martens:** — One of the things, Mr. Minister, on that. It isn't only the water-fowl that cause the damage. In the North it's elk and along the Qu'Appelle it's bear. You could do a number of them. But then the farmer . . . you would know beforehand who you were insuring and who you were not.

**Hon. Mr. Cunningham:** — That's a good point and we will certainly take it into consideration.

Item 4 agreed to.

Vote 46 agreed to.

**Consolidated Fund Loans, Advances and Investments  
Saskatchewan Crop Insurance Corporation  
Vote 161**

Item 1 — Statutory.

**Supplementary Estimates 1992  
Consolidated Fund Expenditure  
Saskatchewan Crop Insurance Corporation  
Ordinary Expenditure — Vote 46**

Items 1 and 2 agreed to.

Vote 46 agreed to.

**Supplementary Estimates 1991  
Consolidated Fund Budgetary Expenditure  
Saskatchewan Crop Insurance Corporation  
Ordinary Expenditure — Vote 46**

Items 1 to 4 inclusive agreed to.

Vote 46 agreed to.

**The Chair:** — That concludes the estimates for the Saskatchewan Crop Insurance Corporation. The minister would thank his officials?

**Hon. Mr. Cunningham:** — Mr. Chairman, I would like to thank my officials for coming in and helping me through the questions and staying this late at night. I certainly am grateful for their assistance.

**Mr. Martens:** — Thank you, Mr. Chairman. I too want to

thank your officials and thank them for their information and also appreciate very much the opportunity to receive the information that you've promised to us. Thank you.

The committee reported progress.

**MOTIONS**

**Granting Leave for Member to attend Conference**

**Hon. Mr. Shillington:** — Mr. Speaker, by leave of the Assembly, I'm going to move a motion:

That the hon. member for the constituency of Cumberland, on Thursday, August 27 and Friday, August 28, for the purpose of attending as an observer at the first ministers' conference in Charlottetown, Prince Edward Island, on behalf of the Standing Committee on Constitutional Affairs, be granted leave of absence.

I move that, seconded by the member from Swift Current.

Motion agreed to.

The Assembly adjourned at 11:29 p.m.