

EVENING SITTING

COMMITTEE OF THE WHOLE

**Bill No. 13 — An Act to amend The Saskatchewan Assistance Act**

**Clause 1**

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, we started going through this a little bit before the break.

I have a few what you might call general kind of questions that maybe we'll go through until we get into the . . . We were talking about the five northern bands and I think you agreed with me that it was the northern — Lac la Ronge, Peter Ballantyne — it was northern bands anyway . . . Did I understand you to say, sir, that you didn't have an agreement with those bands yet?

**Hon. Mr. Pringle:** — Yes, you're right. Although the current contracts are between the federal government and the bands — which is the way they've been historically — and until we can get this amendment passed, by agreement we're extending that arrangement. But we do require this amendment in order to have the authority under the Saskatchewan Assistance Plan to enter contracts ourselves with those bands in order to allow them to continue providing assistance to their members. So you're right, yes.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, I understand that they are getting the assistance on a almost ad hoc, I guess you'd call it, until this Bill is through. Could you tell me how those programs have worked up until this point?

**Hon. Mr. Pringle:** — Historically these arrangements have existed for many years and we're not aware that there were any concerns raised; that things were going well. As far as we know the bands want to continue with that arrangement because that's been the historical arrangement, and they're providing the financial services and related services to their members in a way that is consistent with the objectives of the assistance program. So we would see no reason not to continue since it's worked well and we're satisfied at this point.

**Mr. Britton:** — Thank you, Mr. Minister. Then essentially they're the same as they were. They're using . . . the way I understand it, okay. Could you tell me then, did the government consult with any other provinces, your government, when you were putting this together?

**Hon. Mr. Pringle:** — Yes. As you likely know, Saskatchewan has been the last province to assume full financial responsibility for treaty families at the moment they come off the reserve, treaty, and so other provinces have been picking up this additional cost for a number of years. We're the last province to do that, so in terms of consulting with other provinces,

there really was nobody we could consult with for this kind of issue. But as far as we know things are working very well.

The arrangement's been handled satisfactorily. The aboriginal people want to continue, the bands want to continue, to provide the services to their people. And they will of course, under this Act, be accountable in the same way through a contract that our own staff are in terms of administering the rules and trying to comply with the objectives of the Saskatchewan Assistance Plan.

**Mr. Britton:** — Thank you, Mr. Chairman, Mr. Minister. That answers my next question. So we are to take from that that we have — we being Saskatchewan — had a bit of a blueprint to follow when we went to put this together.

What is the government's goal actually, Mr. Minister? Is it to have all reserves administering their own social services? Is that our goal for in the future?

**Hon. Mr. Pringle:** — Yes, our goal is, of course, to have the federal government continue as they are now to administer assistance for people on reserves. What we're concerned about provincially is restricted to providing the financial services to off-reserve treaty families.

So the northern bands in question here have been providing the off-reserve assistance historically to their members, and we want that arrangement to continue. But our goal for treaty families on reserves would be, of course, for the federal government to continue with their responsibility.

**Mr. Britton:** — Thank you, Mr. Minister. Then I take it from that you won't get any help from the federal government at all on this program for any of the Indians that are not on reserves. Do I understand that right?

**Hon. Mr. Pringle:** — Yes, we are talking here about us assuming responsibility for the direct service ourselves, that is, our provincial department. But we will continue, as we always have, under the Canada Assistance Plan to get 50 cents back on every dollar we spend on assistance. So it's cost-shared as you are aware, and that arrangement will continue where we will get the 50 per cent back through that agreement.

**Mr. Britton:** — Thank you, Mr. Minister. Well I was going to ask you how the system works, and I think you answered that question. You get 50 cents back on each dollar you spend in Social Services to the aboriginals that are off reserve. Does that work on the ones that are on the reserve also? Is that the same formula?

**Hon. Mr. Pringle:** — No, you're right about the first part, and that is the cost-sharing for families off reserve or for the general public who are eligible for assistance, yes. But for on-reserve families, this will continue to be a full federal responsibility.

**Mr. Britton:** — Are the bands administrating their own funds? Do they administrate their own funds under this system? And under whose authority would they be doing that? Would that be under your authority or under a fed-provincial authority?

**Hon. Mr. Pringle:** — Just to make it clear here, the federal government will continue, as they always have, which is their obligation, to provide financial assistance to treaty families on reserve for financial assistance. They also — that is, the federal government — provide the financial support on reserves for treaty child and family services although, because that's a provincial responsibility legally, we sign agreements with the bands. We've signed three now; we're looking at signing some additional agreements for child and family services, but that money will still come from the federal government for on-reserve services. So any service on the reserve will always be provided 100 per cent by the federal government.

It's only for off-reserve treaty families where we will now have to pick up the service, except we want to continue this arrangement that's been historical for the five northern bands where they continue to provide financial services to treaty families even though they may be off the reserve.

I hope that clarifies your question.

**Mr. Britton:** — Well yes, I think it does. How many individuals does this whole legislation affect? How many clients would you have?

**Hon. Mr. Pringle:** — Now with regard to the northern bands, we're talking about 800 clients. By clients — that could be an individual client or a client with a family — but about 800 clients would be involved I guess.

**Mr. Britton:** — Well do you intend to use this model for future agreements? As you've mentioned, you're trying to get agreement with some other bands. Will you use this same model for those?

**Hon. Mr. Pringle:** — Well the legislation — which I said earlier — is permissive legislation. In other words it would allow us to do that if we felt that was appropriate and possible. But we would still have to negotiate individual contracts with individual bands to provide off-reserve financial services. And it is possible that at some future date we may negotiate another agreement which would likely, to answer your question directly, would be similar to this model because we see it as working well at this point.

**Mr. Britton:** — I was noticing in your second reading speech you make reference to holistic approach to this program. Would this work if you negotiated different programs with different municipalities or bands? Wouldn't this kind of make it into a patchwork thing if you didn't use the same formula for all?

(1915)

**Hon. Mr. Pringle:** — I appreciate your question there. I guess we have no alternative of course but to maintain the provincial standards because this is a provincial Act. The objectives of the Saskatchewan Assistance Plan would have to be met. The standards would have to be set evenly across the province no matter which contracts we might enter. So I think that that's the key point, that the standards would have to be met and we would have to be satisfied that they were.

**Mr. Britton:** — Well thank you, Mr. Chair, and Mr. Minister. That's what I was kind of wondering when I asked the question, if you were going to use the same formula, because I agree with you that you pretty near have to do it otherwise you might run into some criticism and you'd end up maybe with a patchwork, as I said, which probably wouldn't be as workable.

In your second reading speech also, Mr. Minister, you referred to this as a reform. And I would like to ask you: are there other reforms being considered in the Department of Social Services to deal with the bigger assistance load that you're encountering? Are you doing anything? Have you got any program to encourage people to get off the welfare list?

**Hon. Mr. Pringle:** — I think what you're referring to there, if I'm correct, is I was talking about the potential for the federal income security reform and sort of what direction that might take and the implications for the evolvement of provincial income security — training, education, employment, support programs and so on. And that these amendments would allow us some flexibility to enter contracts if appropriate and so on. We're not quite sure where that federal plan is going to and maybe it isn't fully determined yet. So I think I was . . . like that was the context that I was talking about, the reform.

I would say that obviously the number one priority has got to be job creation in terms of ensuring that people aren't on assistance. We can talk about that but we think that we've got a plan to deal with that. And we think there are some very positive signs around that.

As well when people are required to come on assistance because of the lack of a job or the lack of UIC (Unemployment Insurance Commission) benefits and so on, then we try as best we can obviously to provide the basic shelter, clothing, and housing needs for people, and other support kinds of services. As well we explore with people their interest, and potential, and quite frankly, an expectation that people pursue employment, education, or training options. And the vast majority of people of course want to do that as well. They need opportunities.

And so as you know we utilize the New Careers program as one model — as a matter of fact some other provinces are trying to model now. And we've moved New Careers over from Social Services to Education, Training and Employment to try and sort of develop the concept of education, training, and employment all being tied together in lifelong

learning and so on.

So the New Careers workforce, if you will, comes from people on assistance. And there are different aspects to that program but there are some 3 or 4,000 social assistance clients were at some phase in New Careers. So that's the approach we're trying to take in terms of supporting people to become financially independent, as you say.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, I thank you for that answer. I was going to ask you to develop your plan with us, but maybe we'll go into that a little later. And I guess I should apologize for jumping around a little. I was trying to get the two tied. I was jumping from the aboriginal side to the whole structure of welfare.

And I guess what I'd like to say to you, sir, is that — and I know you're aware of this — that the number of people on welfare is up around 78,406 is my numbers in December of '93, and that's an increase of over 1,600 a month from one month earlier — 21,000 since your government took over in the province.

Now what I'd like to ask you, sir, is: can you give us a number as to what you think can be credited to, or charged against, the federal offloading of this responsibility of the Indians to you, sir?

**Hon. Mr. Pringle:** — Yes, I have the figures here. There are really two aspects to this. The changes to the unemployment insurance program in October of '92, April of . . . October of '91, I guess, April of . . . no, October of '92, April of '93, have resulted in about a 4,400 new cases or 9,000 people using your 78,000 model. But those UIC changes have resulted in 4,400 new cases. The off-reserve status Indian case-load since July 1 of the last year, are directly responsible for another 4,000. So at 9,400 — 9,400 of the new cases you are referring to, are directly a result of federal decisions which we had no control over.

Not only did Saskatchewan have no control over the UIC changes, but the increase of assistance cases across Canada in the last two years has averaged a 51 per cent increase. In Saskatchewan it's been a 32 per cent increase and we still have, even with that federal offloading as one way of putting it, those 9,400 cases, we still have . . . it's not great and we need to do better, but we still have the lowest dependency rate of any province in Canada. And we need to continue to work at that to make the situation even better.

**Mr. Britton:** — Could you just elaborate a little bit on that? I was under the understanding that the downloading had some effect, but we thought it accounted for less than half of the increase. Would you care to elaborate? Are you talking out of your case-load per capita or in numbers is the lowest?

**Hon. Mr. Pringle:** — Yes the percentage I'm referring to is per capita. In other words, if you take our total population as a province and then you take the 39,000 cases, we have the lowest per capita rate of people on assistance than anybody else in Canada. It

was 6.9 per cent. But with new families coming on each month in terms of the treaty families — because there's a few every month, and this will level off at some point — it might be up to 7 or 7.1 or 2 per cent. But it's still by far the lowest. I think the average is about 11 per cent. The average per capita on assistance across Canada is about 11 per cent of the population in that province.

Now I might just mention while I'm on my feet that this is where we need the help from the member from Regina North West, the new member, because what the federal budget has done, the federal budget is going to make a big difference to us again because the recent cuts of the recent federal budget to UIC payments coming into the province would take \$40 million a year out of the economy, first of all, by reduced benefits. So Saskatoon north, for example, where the average benefit reduction will be 6 or 7 weeks, that means that those people will be back on assistance earlier. So that's a big concern of ours because that's going to cost us additional money next year because of the reduction to UIC benefits for Saskatchewan people on UIC.

**Mrs. Bergman:** — Thank you, Mr. Chairman. Mr. Minister, the third party would like to commend you and your government for taking a very positive step in drafting this amendment to The Saskatchewan Assistance Act.

As you have said yourself, the time has come for services to Indian bands to be administered by the bands themselves.

I got a little confused with the directions we were taking in the questioning, but as I understand it, this is permissive legislation and it basically applies to on-reserve Indians and not to off-reserve.

**Hon. Mr. Pringle:** — Sorry it's just . . . No, it's the flip side of that. Yes. This applies just to . . . As you know, we're now responsible as of July of '93, July 1, to provide immediately, assistance to treaty families who leave the reserves. So off-reserve treaty families are now our responsibility. Yes.

**Mrs. Bergman:** — But does this legislation address off-reserve bands?

**Hon. Mr. Pringle:** — Just to go back a step here. You're of course aware that for up until July 1, 1993, when treaty families would leave a reserve, come to the city or off the reserve anywhere, that for the first year they would still be the federal government's responsibility in terms of financial assistance. That changed July 1 where we are now responsible for financial services for all treaty families off reserve. That's the 45 new . . . 4,500 new families we're talking about that have now come onto the provincial roles, right.

Now what has been historically happening in northern Saskatchewan in the five bands we're talking about here, is historically these five bands have been providing off-reserve assistance, they've been

administering off-reserve assistance to their band members who are off reserve.

Now with that change — where we're required to do that provincially — with the change in the federal decision, we do not have the legal framework to allow them to continue doing that. We require this amendment change here to give us the authority under the Saskatchewan Assistance Plan to allow them to continue doing that. And they want to continue doing that and we think that things are working well so we'd like to facilitate that. And that's the major reason we're doing some house cleaning here and some updating and what not. But that's the major reason why we need this piece of legislation at this point.

**Mrs. Bergman:** — Thank you for clarifying that. It gets a little twisty and windy at times. With the federal devolution of responsibility to the provinces for the off-reserve assistance, you were explaining about the funding but how does it affect the administration of the funds and policy and the determination of who is eligible for assistance?

(1930)

**Hon. Mr. Pringle:** — In terms of the actual administration of the program and the benefit levels, nothing really changes because the federal government, province to province, always basically followed what the provinces did. So their rates were always similar to ours. If we gave an increase, they gave an increase. Their accountability measures were always the same as ours and so on. So nothing actually changes except we would have the legal authority with this amendment to enter the contract with the five other bands to continue what they've been doing in practice. So nothing will really change because the program — no matter who it was delivered by: provincially, the Department of Social Services or federally, Indian Affairs — the same rules, the same benefit levels and so on were followed.

**Mrs. Bergman:** — Thank you, Mr. Minister. You've been very helpful in clarifying it.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, I have one or two more questions that I believe we should maybe go over. And I've got a cold coming on too, I might add. We've done the . . . You are negotiating with other bands; I think we clarified that, Mr. Minister.

**Hon. Mr. Pringle:** — Well we're talking primarily about this amendment for the five northern bands. But I wouldn't say we're negotiating with any bands or tribal councils other than some preliminary discussions that we've had, and it's really limited to that at this point.

**Mr. Britton:** — One of the things I note, Mr. Chairman, Mr. Minister, I noticed that this legislation omits any reference to a municipality. Is there anything else that this legislation will do?

**Hon. Mr. Pringle:** — Well what we have done is we've taken out the references to municipalities that didn't sort of fit any more, as I tried to say. And basically . . . but if you look at section 2(h) — a unit, we've sort of made a generic term calling it a unit — a unit could include, section 2(h)(ii) could include a municipality as well, or Indian bands, but it still could include a municipality. But we've taken out a lot of the irrelevant information about accreditation and so on, but a unit still could be defined as a municipality. And again, with the flexibility required potentially, we wanted to make sure, with the federal reform, that we have the legislation in order.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, could you tell me what was the last municipality that administrated its own assistance program.

**Hon. Mr. Pringle:** — Up until 1989 both the city of Moose Jaw and the city of P.A. (Prince Albert) had provided their assistance under the city administrations. Since '89 that has not been done by any municipality.

**Mr. Britton:** — Okay, one more question on the local or native control. How committed are you in the long term towards the native or local control of the program? In your speech you said you were supporting a law . . . a lawsuit, I should say, against the federal government for offloading its programs. If you should win that, will the programs . . . If you should win that lawsuit, and I know it's . . . will the programs or the agreements or the legislation be revoked or reworked in any way?

**Hon. Mr. Pringle:** — Well basically this legislation, which is really only permissive . . . We can do this if we need to. In other words, the contracts with the northern bands or other bands, potentially in the future. If the first nations people are successful in the reference case, then things would revert back to the way they were before and nothing would really change except the legislation has been upgraded in other areas that would still be relevant. But we wouldn't need this legislation to pursue the contracts with the five northern bands, but there would be other parts of it that still would be permissive and allow us to enter, you know, arrangements in the future if desirable.

**Mr. Britton:** — Mr. Minister, in what way in your mind do these changes benefit the municipalities, or for that matter, the provincial government?

**The Chair:** — Why is the hon. member for Regina North West on her feet?

**Mrs. Bergman:** — Leave to introduce guests.

Leave granted.

## INTRODUCTION OF GUESTS

**Mrs. Bergman:** — Thank you, Mr. Chairman. I'd like to introduce to you and through you to the members of

this Assembly the Boy Scout troop sitting up here in the Speaker's gallery. Their leaders are Dale Carter, Glen Russell, Howard Thornton, and Dennis Wilson, and I will be meeting with them to answer questions and discuss their experience at the legislature in just a few minutes. But I'd like all of the Assembly to welcome them here this evening.

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

## COMMITTEE OF THE WHOLE

### Bill No. 13 (continued)

#### Clause 1

**Hon. Mr. Pringle:** — Thank you very much, Mr. Chairman. I would like to join with my hon. member in welcoming the guests to the Assembly and I hope you find it informative and enjoyable. Thanks for coming.

If I can remember your question, we're really talking here not so much about a benefit for municipalities but I think we're talking more about a benefit for the clients. Why we would like the federal government to be involved is so that if people are on reserve, or leave the reserve for a short period of time, or come back, we don't want them to have to change who's administering their assistance for them. So there would be more efficient, I guess effective, administration of a program point of view and, probably more importantly, families wouldn't have to be changing whether they're getting assistance from provincial back to federal, and so on. And so that, we think, is the primary benefit here.

Clause 1 agreed to.

Clauses 2 to 15 inclusive agreed to.

#### Clause 16

**Hon. Mr. Pringle:** — Thank you, Mr. Chairman. I move that we:

Amend section 16 of the printed Bill by striking out "assent" and substituting "proclamation".

Amendment agreed to.

Clause 16 as amended agreed to.

The committee agreed to report the Bill as amended.

## THIRD READINGS

### Bill No. 12 — An Act to amend The Ombudsman Act

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

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

(1945)

### Bill No. 13 — An Act to amend The Saskatchewan Assistance Act

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

Motion agreed to.

**Hon. Mr. Pringle:** — Mr. Speaker, by leave of the Assembly, I move that Bill No. 13 be now read a third time and passed under its title.

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

## COMMITTEE OF FINANCE

### General Revenue Fund Social Services Vote 36

**The Chair:** — I'll ask the Minister of Social Services to introduce his officials to the members of the committee.

**Hon. Mr. Pringle:** — Thank you very much, Mr. Chairman. With me, to my right, the deputy minister of the department, Con Hnatiuk; and behind Con, Neil Yeates, associate deputy minister; and Bob Wihlidal, the budget director, behind me. Thank you.

#### Item 1

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Chairman, Mr. Minister, before we go into these, I neglected to thank you and your ministers for your help and your work through the other Bill, so I'll do that now. Thank you very much for the help you gave us.

Mr. Minister, I'm going to start with a few questions that came to us through what we call viewer mail, I think you're familiar with them, and they're Social Services questions and I thought that it might be a good time to ask them here when you have your officials with you and maybe could help with the answers.

This first question, Mr. Minister, comes from an M. Kamar from Saskatoon, and Mr. Kamar asks:

I want to know why the government doesn't issue coupons for welfare so that we don't have hungry children and money would be spent on food only and not on liquor and bingo?

I also want to know why the Gaming Commission is not responsible for ambulance fees for hauling drunks and also for people's addiction to gambling since the taxpayer cannot afford to pay for these services?

**Hon. Mr. Pringle:** — Thank you, Mr. Chairman. First of all, before I deal with your question, thank you for

your — on the last two Bills — for your questions, comments, suggestions, and your support for the Bills. I appreciate that very much.

With regard to your question about why not food stamps, I guess historically in Canada under The Canada Assistance Plan each province has entered their own arrangement with the federal government, in our case The Saskatchewan Assistance Plan, an agreement signed in 1966 — some amendments we've just made a few minutes ago — where basically by right of citizenship, people who are unemployed or unemployable have the right to receive financial assistance to an adequate level to meet their needs, and also in a way that is enhancing to their dignity. And in many ways of course the safety net in Canada has been the envy of many other countries. So we believe, as your predecessor ministers believed, I think, that you have to provide adequate levels of assistance and adequate supports to families. But you do it in a way that ensures that there's an accountability to the public, and that you're spending public money wisely, and that balance between the accountability and the benefit levels is something that you always struggle with.

Certainly in my experience many of those years in Social Services, I think that in many ways people on assistance — likely in more ways than most — manage their limited money better than most of us could do. And so I'm satisfied that we're on the right track here in terms of providing assistance in a way that allows people to preserve their dignity.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, I thank you for that. I guess I should have mentioned to you that we will be sending your . . . a transcript of your answers to the questioner as we do in the other, so that you know that they'll be going directly to the questioner.

Deana Gurski, a 53-year-old widow from Pennant, asks this question, Mr. Minister. She says:

My two granddaughters, age 12 and 9, have come to live with me. I have tried to get social assistance and medical cards for them, but Swift Current Social Services say I can't get any help because I'm working. This doesn't make sense to me. My income is hardly 10,000 per year. Can you advise me about this.

**Hon. Mr. Pringle:** — Well certainly anybody in the province has a right to make an application for assistance in terms of the numbers of members in the family, looking at their needs in relation to their income. That's a right that people have.

Now I don't know the circumstances of the case you're talking about. There are many occasions where we enter into special arrangements with families who might be caring for the children of relatives, and require some support and some assistance, and we try and be as flexible as we can because obviously you want children to be with extended family members.

Without knowing the circumstances I can't respond any more than that, except to invite the individual involved there to contact our regional director in Swift Current, who would be happy to try and provide the best advice as possible. I think that that might be the best way to pursue with the specific case example.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, as I say, these questions are from other people. Deana Gurski is the woman in this particular case, and she said in the question, "I tried to get some social assistance and medical cards for them but Swift Current Social Services say I can't get any help." So it would appear that she has probably contacted them.

There's a Kevin G. Miller from Moosomin and he writes this to you, Mr. Minister.

Why has there not been an investigation into serious unemployment insurance and welfare abuses in our province. It seems everyone but the government knows about this.

**Hon. Mr. Pringle:** — Well let me say, first of all, that we . . . the focus, as I said earlier, has got to be adequate benefits for people administered in a way that's not cumbersome and inefficient, but in a way that is accountable and let me say, first of all, that in my experience the vast majority of people on assistance, the vast majority, are very honest. And I think that's the principle that I start in this position from.

Now having said that, of course, we're always open to recommendations from the Provincial Auditor in terms of standardizing our practices, making sure we're accountable. You might want to look at the last report done by the auditor with regard to our control measures. We require every applicant to sign a sworn declaration. We have pamphlets available to people. In many cases, a lot of cases, rental cheques are made out to the clients and to the landlord. And so, in addition to that, we've added some additional audit staff, and I think that we're managing the income security program with those controls in a very efficient manner.

Now if Kevin, I believe, has a specific client who he believes is involved in some abuse, then I would urge him to contact the Moose Jaw office and we would be glad to look at that. In fact I would say that he has a responsibility to do that. But to make the general statement that this is occurring . . . well it might be a popular thing to do, I think that there are sufficient and numerous accountability mechanisms in place that pick up the vast majority of these concerns you're talking about.

**Mr. Britton:** — Thank you, Mr. Minister. Mr. Minister, I might have inadvertently said Moose Jaw, but Mr. Miller is from Moosomin, on that question. The next question, if I'd have read it, I might have just put them two together for you, sir, but seeing as how I didn't . . . There's another. This is from Moosomin also, and it's a Don McLeod, and he asks the same question. He says:

We must control people who are cheating on our unemployment and welfare systems. Let's do something for people who are working full time and are at minimum wage. Why not give them some bonus or tax breaks?

(2000)

**Hon. Mr. Pringle:** — Well I certainly agree with him that it's important to give people increases in their income who are working. We have, as you know, raised the minimum wage recently in Saskatchewan. We raised the income exemptions to some degree since we've formed government. And we had a long way to go there because they were cut back so badly in the '80s where it was very difficult for people to get off assistance because for every nickel that they earned, it was deducted from their cheque.

We're starting to restore the principle of being allowed to keep a little more money that you earn, which gives you a greater incentive, and makes it worth it to get off assistance and provide better for your family where opportunities exist. So I agree with what the Moosomin constituent is saying and I think we're on that track.

**Mr. Britton:** — Thank you, Mr. Chairman, Mr. Minister. The next question I think I would like to ask you . . . and these questions will probably overlap a little to the other Bill but I think we should maybe use this Bill as its own. The first question, again, I'd like to ask you: what are the number of people on social assistance in January of 1994, January of 1993, January of 1992, January of 1991? And then while you are doing that, Mr. Minister, would you also tell me how many are on social assistance today.

**Hon. Mr. Pringle:** — Yes, we have the figures. We can send those over to you from the January periods but I have with me the figures at the end of March in those years. Is that okay? So it's March to March comparison rather than January to January just because it's a fiscal year end.

March of '91 there were 26,008 cases; March of '92, 28,167; March of '93, 32,904; March of '94 . . . pardon me.

Okay, I was giving you the averages. The way we've got it is the average per year, so the average per year of those years. So the numbers I gave you are still accurate except those are not the end of March figures but the average in each of the years. In the '93-94 fiscal year it was 38,481. In January 1, '94 because those stats are out, it dropped to 37,150 — 37,150. Or actually that is the, pardon me, that is the estimate for '94-95. The current year is 37,150. So those are all the averages. I don't have them for the end of January of each year. But those are the averages in each of the years for the last five years and including the estimated average for this year.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, do I understand you that you can't get those numbers for the January dates?

**Hon. Mr. Pringle:** — We do not have them with us, hon. member, but we can get them to you by tomorrow morning if that's okay.

**Mr. Britton:** — Mr. Chairman, Mr. Minister, I appreciate that. I think I would like to have those on the January date. Then I understand the 37,150 is not the actual number of people on social services today?

**Hon. Mr. Pringle:** — The total case-load at the end of January '94 was 39,929 which involved total numbers of family members, 78,993 . . . (inaudible interjection) . . . 993.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, I appreciate those numbers.

Mr. Minister, there's 12,000 fewer jobs in Saskatchewan than in January of '91, and that's the last year of our administration. What are your projections for the ever-growing numbers that we see in the social assistance applicants at the end of this year? Is that 78,000 . . . What do you see, what do you project for the end of 1994? Have you any projections?

**Hon. Mr. Pringle:** — Well during the '94-95 budget year we're projecting an average case-load throughout the course of the year of 37,150 based on our analysis of the economic trends and so on. That's our projection.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, then I . . . the figure that you gave me, the 37,150 as an average, is what you think will be in 1994, but that will not be the total numbers, that'll be the clients. Do I understand that right?

**Hon. Mr. Pringle:** — For the 1994-95 fiscal year we're projecting that the average case-load by month will be 37,150 which will involve about 74,300 people.

**Mr. Britton:** — Thank you. That's the answer I wanted. Thank you very much.

Now I'd like to go into a couple of questions about the programs you may have in place to combat the increasing load. Since the numbers is growing so rapidly, can you tell us what measures have you taken to combat this problem?

**Hon. Mr. Pringle:** — Well from our previous discussion tonight, where we talked about the October '92 . . . the April '93 UIC changes, and of course the July 1, 1993 treaty offload where we're talking about 9,400 new clients directly from those two federal actions to our assistance case-load, when you add those 9,400 new cases on to the numbers and if you set those aside, the actual number of people who have come on assistance over the last two years have not been that significant. It's almost levelled off. We had no control over those 9,400 new cases.

With regard to what we're doing to try and deal with the issue, obviously to impact on the social assistance

case-load there has got to be progress in the economic development, job creation field. That's a challenge for all provincial governments. We believe that the *Partnership for Renewal*, as a major cornerstone for our economic development policy, is progressing well, and there are very positive signs on the horizon and currently with regard to sustainable, small family businesses across Saskatchewan developing.

I'm from Carnduff, in the south-east corner, where your seat mate is from. Business is booming in that area. I was in Meadow Lake last week; business is booming in that area. There's a lot of positive things going on in the province in terms of economic development.

Our **Agriculture 2000** strategy, which again is part of economic development approach to strengthen rural Saskatchewan, relates to economic agricultural diversification, to value added processing and so on. That is part of the job creation strategy.

Our budget talked about \$700 million into capital projects, \$24 million into the Opportunities Corporation to support small-business development. We, of course, with the economic development authorities in all regions of the province where they will prioritize the potential and the opportunities for economic development in their communities at the grass roots level, where they look at their natural benefits and develop an economic development strategy — that will contribute to . . . and I've got a list of a number of projects here with 10 jobs, 15 jobs, 20 jobs, 80 jobs. That's the kind of economic development we're talking about that will make a difference to the welfare case-loads across the province. So I could mention more — our northern economic development strategy and so on, the reforestation strategy, our new mining targets. There are a lot of reasons to be hopeful on the economic development front in Saskatchewan, including, I believe, the fourth largest crop in the history of the province last year, some of the results of that which will be felt this year. So I think there are many reasons why chambers of commerce and other groups are very optimistic about 1994 in Saskatchewan.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, my seat mate suggested that it's booming down in that country and it might be because you are from there. Anyway, it took a little while but work on it; there was supposed to be some humour in there.

Well you've partially answered my next question, Mr. Minister, so I wonder if you've been looking at my notes. I was going to ask you what you were doing to replace the Sask Works program which your government dismantled, that we had in place when we were in government. Could you tell us whether you have any other similar type of a plan in place?

(2015)

**Hon. Mr. Pringle:** — Well let me say, first of all, that we didn't dismantle your program; we changed it to some degree. We established the New Careers

Corporation to in fact highlight the need for jobs and skills training and so on. But social assistance clients who are capable of working by and large want to work. Let's be clear about that. And of course we require that clients who are capable of working pursue opportunities. But the vast majority that want to, what they need are opportunities, which is where the economic development and jobs strategy kicks in.

What we're committed to is long-term, grass roots, community-based, sustainable economic development and job creation. We experimented — not just your administration but other administrations in Canada — during the '80s with megaprojects that take a lot of money and don't preserve long-term economic development across the province. So that is our approach.

Now basically we've also made some improvements in benefits for people on assistance, in making the delivery system more efficient and accountable, and to ensuring that there were proper accountability measures in place.

Now we refer clients to the New Careers Corporation. That pool of clients, that pool of people who are involved in the New Careers program, are drawn from people on assistance. Just to give you an indication of the numbers we're talking about in terms of the New Careers Corporation, which gets its pool of resources from the department's case-load, in 1993-94 some 9,000 people had benefited from that program — work-prep centres, basic skills development training, and actual work-related jobs in terms of trying to keep the pool of people on assistance as trainable, as employable as possible. So we in fact last year created over 9,000 jobs, but under the New Careers Corporation which is not dissimilar to the program you're talking about. We didn't dismantle it. We replaced it with something different and highlighted it through the corporation.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, I believe you didn't create the New Careers. I think you just changed the name of the work program and maybe amalgamated them, but I don't think you created the New Careers program.

The question I'd like to ask is, have you looked into what other jurisdictions are doing to try and help people get off the welfare rolls?

**Hon. Mr. Pringle:** — Well we will continue to build on the tools that we have available, in other words the potential through the New Careers Corporation, of course, the economic development strategies that I talked about to the general wave in terms of the *Partnership for Renewal* and diversification 2000 and so on, and our family income program.

And what other provinces are doing is actually developing our models. We have analysed Newfoundland, New Brunswick, B.C. (British Columbia) all the other approaches, and we've got a history in Saskatchewan of the Family Income Plan of some twenty years. That is an employment support



program for low income families with children and other provinces are looking at that. And as a matter of fact, the federal government is very interested in that concept as a way to support working-poor families.

So in many ways while we've got a lot of work to do, we are seeing other provinces show interest in the models that we're using and have been using, and we're trying to strengthen those as well and look for partnerships with the federal government to try and get them to show some leadership on the national stage in terms of an economic development strategy, and other support services that are required.

The case-load mix has changed. There are some 9,000 single parent . . . 12,000, about 12,000 single-parent families on social assistance, so not quite half, but a good, almost a third, of the clients on assistance are social . . . are single-parent families.

So we need to then start looking at day care policy, transportation policy, adequate income exemption supports, and so on in order to provide and allow and facilitate opportunities for those people; and we need national leadership for example in the day care area, otherwise we can talk all we want. If we don't provide those families with the supports they need, then the single-parent — mothers primarily — are just not going to be able to have the supports that they require in order to pursue their career interests and needs.

**Mr. Britton:** — Thank you, Mr. Minister. Well let's follow up a little bit. I guess what you said, that you hadn't checked with any other jurisdictions, and that they are looking at your program.

Well our office, Mr. Minister, have been in contact with some of the states in the U.S. (United States), and they have tested many different concepts and I'll give you some examples. Wisconsin's learn fair program — this program requires parents to keep their children in school or risk losing a portion of their welfare cheque.

I'm sure you will agree that education is very important, and staying in school will help people become more self-sufficient. Is your department familiar with that concept?

Another program requires teenage parents to live with their parents or guardians. And is your government aware of that concept?

Another thing: have you looked into anything like this? And if you have, please provide me with whatever details you can, and if not, could you tell me why you haven't looked into these things.

**Hon. Mr. Pringle:** — Yes, let me say that we are very familiar with the projects, the models that have been used in Wisconsin or Michigan or California, or many other American states. And we're also familiar with the approach that Alberta has taken.

And basically these other approaches, in our view, are punitive approaches. They are punitive approaches

because they make assumptions that because people happen to be unemployed . . . I mean let's face it, there's economic recessions and depressions and downturns and restructuring, so let's be careful not to blame people for being unemployed.

Those are punitive approaches. What we're trying to do in Saskatchewan and promote in Canada is a supportive approach. Of course we want people to pursue opportunities. They want to pursue opportunities; they need opportunities.

If you want to keep children in school, which we do, then you feed them. You have to make sure they're fed. If you want young teen moms to stay in school longer, which we do because of the previous drop-out rate, then you provide teen child care support in schools, which we're doing.

So we have to be careful that when we think of the number of people on assistance, they're not all fully employable single people who just don't want to work. As I said, about 30 per cent of the people on assistance are single-parent families, primarily mothers. Fifty-seven per cent of people on assistance, 12,286 of our clients, are not fully employable. So when you add those two percentages together, you're talking about, what? — about 87 per cent of the clients on assistance who aren't in that category of single, fully employable people which is the perception at times.

So we're taking a supportive model, and I think that is an approach that is consistent with the tradition and the values and the history of this province. That is the tradition of the safety net in Canada. It's not a punitive safety net. You don't blame people for being unemployed due to circumstances beyond their control. And those are the value bases of the programs you are talking about in southern states, and they assume that people don't want to work when what people need are opportunities to work. So no, we're not looking at that model. We've rejected that model and will continue to do so.

**Mr. Britton:** — Thank you, Mr. Chairman. Mr. Minister, I'm not aware that anything I said should have given you the impression that we were trying to lay the blame on anyone. I think that what I was trying to suggest to you is, have you looked at ways and means of giving these people a chance to educate themselves and their parents, whether they're single or not . . . assistance so they could keep their children in school and indeed give them a chance to have a job and get off the welfare roll.

I agree with you wholeheartedly that probably a very high percentage of those people that we're talking about would enjoy the chance. And as you mentioned yourself, some of them are not 100 per cent employable. Well I don't know if I would agree. I don't know what you mean by unemployable. I would suggest that most of them, a high percentage, with the proper education and the proper opportunities would be employable.

Because I can say to you that according to our research, some of these programs that I outlined have incredible results. My question to you is: are you interested in getting them off welfare and into jobs, or are you just interested in patting yourself on the back and telling us what a great and good program you have . . . (inaudible interjection) . . .

Well we aren't going to argue with you on that. But I'm suggesting that there could be a lot of people who are not interested in you having a good program. They're interested in them having a job. And that's why I brought these other things up to you. You suggested you aren't even going to take a look at them or not even going to try them, when our research indicates that they've had good results in getting these people into jobs.

So I take a . . . I didn't like your inference that we are trying to blame people. We have never done that. We've always been trying to help them. That's why we started the work Saskatchewan program. That's why we did that — is to give people a chance to go to work and earn a pay cheque. And they were very, very appreciative of that. So I would wonder why you wouldn't maybe try some of the things that other people have found a great success in.

**Hon. Mr. Pringle:** — Well let me say that I was not accusing you of taking the punitive position. What I was trying to say . . . in fact I thank you for being supportive.

What I was trying to say is that we have analysed the programs you mentioned, and in our research and the research by independent academics and so on, those programs do not measure up in terms of supporting people in a long-term, sustainable way.

Now the Head Start program from P.A. and La Loche is a model based out of Michigan. So we're not rejecting outright initiatives that are positive. That's one example of a U.S. model that we think has some applicability.

(2030)

We're interested in reducing case-loads. We're working very hard to try and do that. The Saskatchewan skills development program has that thrust. The New Careers Corporation. The teen support program I mentioned, designed to keep young moms in school to get an education, is the best way that they can become independent financially. The West Flats project in Prince Albert, where the community has basically, from a grass roots point of view, become empowered and is making their own decisions as a community is another example of empowering people — low income people in many cases. And the child nutrition and development program, making sure that families are fed decently. The increase to the Family Income Plan are all designed to do the very thing you're talking about.

So there are many initiatives. And as I've indicated and I've talked to you, as I have to the member from

Regina North West, about what position Saskatchewan has taken, although the position is developmental and evolves because that's the nature of this discussion, but what position we've taken with regard to the federal income support review. Obviously that will be geared significantly to employment opportunities and initiatives, and we will try and negotiate the best arrangement we can for people in Saskatchewan who require further education, training, or employment.

And so I didn't mean to give you the wrong impression. I appreciate your support for these many initiatives where we're trying to provide people — as a government, as business people, as communities in Saskatchewan — with employment opportunities. And we will continue to do that. And we will of course welcome any suggestion of any model that you might want us to look at. But we have not rejected outright every one of the approaches, Head Start being one example.

**Mr. D'Autremont:** — Thank you, Mr. Chairman. As my colleague said, the minister is from my constituency. And he mentioned that things are going quite well there economically and in one particular sector they are, in the oil patch. I find that interesting, Mr. Minister, when you noted that most people who are on social services, clients, are interested in working.

Well I saw a piece in last week's Carlyle paper that had the picture of a young man from Australia that had come over, and had got a job working on the rigs, and it hadn't taken him very much time. I'm wondering how many people in — I'm not sure what district that area would be in — how many people that would be classified as employable are on welfare in that area?

**Hon. Mr. Pringle:** — We have the numbers by RM (rural municipality) and so we could get that information to you in the next day or two. We have that information by regional office — by regional office. The only thing is it wouldn't be parcelled out specifically, sort of, in your area. It would be the Estevan-Weyburn office and so, you know, the boundaries of that region are quite large. Just take the total region into consideration which you know the area better than I do. The Estevan-Weyburn district is very large but that's in your area going up to Carlyle as well, right.

The total case-load in that area, the total case-load on assistance of all clients, is 766. That's the total. If you take the provincial percentages — I don't know if you can do that, but if you do that — likely about 13 per cent or so would be . . . probably less in that area; 10 or 12 per cent would be considered fully employable, single people.

**Mr. D'Autremont:** — Thank you, Mr. Minister. That's what I was interested in, was the regional numbers. I didn't want to pinpoint any particular locations. I brought up the Carlyle one because there was a picture in the paper of a young man who did get a job there fairly easily, it would seem, according to the

write-up.

What do you do within Social Services to encourage this 10 to 13 per cent of the people who would be in that area, so roughly 75 to 100 people who would be employable, to actually go out and seek employment? Do you have any part of your department that does that?

**Hon. Mr. Pringle:** — Just to review, that if people are employable — take the people you're talking about in your area — they are required to verify that they're searching for employment. And it's a job search requirement that is part of determining your ongoing eligibility. We also make referrals to New Careers; we make referrals to CEIC (Canada Employment and Immigration Commission) centres.

But in terms of employable people you're talking about, they're on an average about two to three months maximum, then they're off. There's a high turn-through of people who are fully employable. And that's not where people get lodged on a longer-term basis. The fully employable, by and large, turn over on a reasonably fast pace, which is a short-term assistance that they require to sort of bridge their employment . . . between employment opportunities.

**Mr. D'Autremont:** — I thank you, Mr. Minister. I'm sure that everyone here knows of someone who would fit the category of employable and yet has been receiving social assistance for a good number of years and doesn't seem to be particularly interested in going out and finding employment, even when that employment is offered to them. I can name a few within my own area.

What happens is they may go out and seek some temporary employment, wishing to receive cash only — no receipts, no means of tracing that they've actually been employed. When this happens, Mr. Minister, what can you do about it?

**Hon. Mr. Pringle:** — I missed your first comment. If you're saying you know of people like that, then I wonder if you're aware that you have an obligation to report them to the local office.

**An Hon. Member:** — I'm aware of that.

**Hon. Mr. Pringle:** — You're aware of that, okay. Well you actually do. I'm being very serious. I'm very serious. You have a legal obligation to report that under the Act and we would take that very seriously.

I want to make this point, though, that sometimes when people appear to be employable they're not necessarily employable. We don't know their mental health status. I don't know the case you're talking about. We don't necessarily know their mental health status; we don't know their ability to compete in today's market. There are a lot of people who want to work very badly but aren't very employable in today's market and we're trying to find ways to support those people because they have aspirations too and need to be supported.

But anybody in the province can think of one person, or two persons, who they think probably should be working and aren't. And I think we need to be careful to sort of provincialize that because . . . Report those; we'll take a look at them. And it's been my experience that about 8 or 9 times out of 10 when I get those kinds of referrals there is an explanation.

And when Minister Schmidt was here and had a cheque pick-up process, ensuring that people had to come and pick up their cheques to make sure that they were who they said they were, or they existed, the department found that the numbers of people who didn't pick up their cheques, and when they looked into those situations, the numbers were very small. It's good politics to say the numbers were large but they're not; they're very small. And so I would encourage you to report that case you're aware of, and we'll look into it. And I don't say that . . . I know it's a serious matter. But encourage anybody to do that, we'll take the matter very seriously.

But in your area the numbers of people on assistance are very low. The number of people who are employable and on assistance is very, very low, and there's a very quick turnover, about two months, and then they're off assistance again.

**Mr. D'Autremont:** — Well, Mr. Minister, that's because most of the people in my area have a good work ethic.

Mr. Minister, what would the average welfare recipient receive who was single and employable?

**Hon. Mr. Pringle:** — First let me say that the average amount of money received by the average client on assistance is \$650 per case.

Now your question more specifically was about single, employable people. In Saskatchewan the average amount is \$480 per month. Now we rank seventh in Canada, seventh in Canada in terms of benefits to single, employable people. Manitoba, the average assistance there to a single, employable person is \$507, and they rank fourth. So we're at the low end of the range in terms of the assistance to single, employable people in Canada.

**Mr. D'Autremont:** — Well thank you, Mr. Minister. You mentioned that Minister Schmidt when he was in charge of your department, the cheque pick-up didn't find a lot of people that were abusing the system. If my memory hasn't failed me, I believe the number was somewhere around 400. And you know, out of 77,000 that are now receiving some assistance, 400 is not a large number.

But when you take 400 times — and I'm just going to say that they were single employables because the numbers go up after that — that you're probably looking in the neighbourhood of \$200,000 a year plus, and that's not a great deal of money in the scheme of the Social Services department, but that is a great deal of money to the individual. I'm sure either

one of us wouldn't mind having that in a year. So there is some value, Mr. Minister, in saving that kind of monies if you can.

Now if that . . . if you took the average of the \$650 and added another 150 you're looking at 300,000-plus. So there is some value there.

So what would it cost the department in dollars to change over to a pick-up system? Is there an added cost to the pick-up rather than mailing them out, or what values would be there?

**Hon. Mr. Pringle:** — Well first of all let me say that no system is perfect. What we're trying to do is prevent cheques from being prepared that aren't appropriate to start with, so we've tried to move it to the front end to make sure that people are eligible before we print the cheque. So we're accomplishing the same thing in a different way.

As I mentioned to your colleague, we've tightened up the controls in many ways so that we're accountable to the taxpayer. If you like, I'd be very happy to review those, but we've identified five or six areas where we in fact have improved the accountability and we're satisfied that the error rate and the fraud rate has been . . . is lower.

**Mr. D'Autremont:** — Thank you, Mr. Minister, but I wonder if you could provide me with some indication of the values that you would lose or gain if you went to a cheque pick-up system?

(2045)

**Hon. Mr. Pringle:** — Well first of all let me say that we agree with the value you're talking about, that is to spend taxpayers' money wisely in an accountable way. And what I was trying to say is that we're doing this in other ways. Cheque pick-up is one way to do it. That also requires more staff to do that. That's one way to do it.

Right now workers, individual workers, if they feel it's necessary can choose to have a particular client pick up a cheque instead of mailing it out. So that provision is still there. But it's not done for everybody because the assumption there is that you don't trust anybody. But individual workers can do that where they feel it's necessary.

But we've added other measures. We've got agreements with the other provinces. We've got — in terms of verification — we've got verification with UIC program now, in terms of ensuring the people that are eligible and not getting duplicate assistance. And we've added case-verifiers at the front end so we're trying to deal with the issue at the front end rather than the cheque pick-up option which is one option I said before; too, many shelter cheques are going out in joint landlord and client's name. Now others oppose that. There are many who don't agree with that approach. But on the line that you're on, those are ways that I could argue have enhanced the accountability of the administration of the program.

**Mr. D'Autremont:** — Thank you, Mr. Minister. You seem bound and determined to avoid to giving me a number on this. Can you tell me what it costs you, your department, to mail out all of the funds to your clients every month?

**Hon. Mr. Pringle:** — Well we'll try and break out in the next minute or two the actual mailing costs to send the cheques out. But certainly let me say that recent case-load increases are not as a result of fraud. I've tried to identify why we think the case-load is increased and by the way, the increase across Canada has been 51 per cent per province. It's been about 33 in this province, 33 per cent. So fraud is not the reason for the increases in case-load.

I maintain and I stand by this, that the vast majority of people on assistance are honest. I think that we should be as concerned about the money escaping through tax evasion where the really big bucks are. But at the same time we still have to be accountable and we're trying to do that. Verification of clients and their circumstances can best be done at the front end which I've tried to identify the six or seven ways in which we are trying to do that. I mean it wouldn't even be possible for many of our clients to pick up their cheque. It just simply wouldn't be possible for many of our clients to pick up their cheque. It just simply wouldn't be possible because we're talking about 13 per cent, 12 to 13 per cent of the people who are fully employable.

You've got single parent families with children and no way to get down to the office. I mean there are all kinds of reasons — disabled people. So if you're talking about the total cost of mailing out cheques to the 38,000 cases, families, that wouldn't be a desirable thing to do anyway. And it wouldn't be very logistically possible for many of them.

**Mr. D'Autremont:** — Thank you, Mr. Minister. I wonder if you could table that document that you were reading from, please.

**Hon. Mr. Pringle:** — Now we'll get you a copy of this document over, in terms of the control measures that are in place.

But to answer your question with regard to the total mailing cost . . . the total mailing cost, right? The total mailing costs for the cheques for the Family Income Plan, now these are all mailed because they are all lumped together — the assistance, the Family Income Plan, the seniors' income plan, and all of the letters and correspondence and the day care subsidies and so on, comes to about \$875,000 per year.

**Mr. D'Autremont:** — Thank you, Mr. Minister, and thank you for the commitment to table the document.

When Minister Schmidt had the cheque pick-up in place, what was the employment numbers of your department at that time . . . (inaudible) . . . Yes, the employment, what was the number of employees of the Social Services department when the cheque

pick-up was in place?

**Hon. Mr. Pringle:** — We'll get that for you because it takes a bit of comparison here. If you have another question, I'll be happy to try and answer that to give the officials a moment or two to try and get that information.

**Mr. D'Autremont:** — Thank you, Mr. Minister. Well I'm sure you have these figures: what is the current level of employment in your department?

**Hon. Mr. Pringle:** — The total number of employees for the Department of Social Services, which includes all programs, including institutions, you know, Community Living, Valley View, Dales House, Kilburn Hall — all of the institutions across the province in all programs is 1,895.3 person years.

**Mr. D'Autremont:** — Yes, I'm sure that .3 person doesn't cost a lot to feed.

How many people would be working in the administration area that would deal with the cheques and the mail-out?

**Hon. Mr. Pringle:** — The cheque printing and mailing is an automated system. Actually it's done by the Department of Finance, but we give them the permission and the figures and what not to proceed with it. So it's all done automatically.

If you're asking how many people in the province, how many employees we have that administer all aspects of the social assistance program then I can answer that. Is that okay?

Excuse me just a second. We're talking in the social assistance program, 292 workers.

**Mr. D'Autremont:** — Okay. Thank you. How many specifically would be authorizing the payments by ministry of Finance?

**Hon. Mr. Pringle:** — We'll have to find out through Finance what that number is, and I'd be happy to provide that. The numbers, I'm advised, would be pretty small because it's all automated.

**Mr. D'Autremont:** — Okay. Thank you, Mr. Minister. How many would you estimate would be necessary . . . or would your department even hire them perhaps? I'm not even sure. They may be picking up cheques some place else, but how many people would you estimate would be necessary if you had implemented a cheque pick-up program, and would you be looking after that or would some other department?

**Hon. Mr. Pringle:** — Well that's a difficult question to answer because it would involve some additional work for all the staff because it's a more cumbersome procedure. Let me say that in the analysis that was done with Mr. Schmidt's model of people picking up their cheques, cost about \$600,000 per year to operate. And the analysis is that about less than half that was, sort of, returned or saved in terms of that,

recovering their cost.

What we think we've done . . . and he had the special investigations branch, cheque pick-up measures and so on. We think what we've done is we've identified, as I've tried to identify, the accountability and control measures that had been put in place at the front end and that that's been more effective.

But more importantly than my word for that, let me report to you that the Provincial Auditor is satisfied with our control mechanisms and that we are continuing to work with that office to ensure that we are spending taxpayers' money as wisely as we can. So if you want to check the auditor's report, I think that you will find that we're spending the money in a very accountable way and you don't have to take my word for it.

**Mr. D'Autremont:** — Thank you, Mr. Minister. You stated that under Mr. Schmidt's model it cost about \$600,000 to operate that program within your department, that being the cheque pick-up. If it's costing you \$875,000 today to deliver those cheques out by mail, if you could save 2 to \$300,000 of the people who are not actually legitimately entitled to that cheque, you could save that money. You're up over almost 1.2 million.

If there were additional employees necessary for this program and if you were to take some of your clients to provide this service, you would be looking at another savings. And in this particular case you don't have to have the physically robust to hand out cheques; you need someone who is capable of being at a particular location for a period of time. You would save some further monies. And I believe my colleague here figured that out at 312,000. So you're at one and a half million dollars of savings there now because you're saving some on your payments that you would have to turn around and pay out in wages. But, Mr. Minister, wouldn't there be some value in saving — if these figures are at least anywhere close — in saving that amount of money for the Saskatchewan taxpayer?

Now I'll admit that there are people who can't physically come to your location to pick up the cheques. But you say that caseworkers are already designated some individuals, or they have the capabilities of designating some individuals to come and pick up the cheque. Why can't you do that on the flip side and say, you as an individual cannot physically come to our location to pick up your cheque, so we'll mail it to you. Now that would be an additional cost and that would decrease the savings. But I'm not sure how many that would be, and perhaps you would have a number that you could put on that, as how many would be physically not capable of coming to a cheque pick-up place. But would it not have some value and some value to investigate in having this type of a system?

(2100)

**Hon. Mr. Pringle:** — Well first of all let me clarify; maybe I'm not making myself clear. That \$875,000,

let me make it clear that that 875,000 is our total bill for postage for the entire department. Now included in that we send out 20,000 seniors' income plan cheques a month — 20,000 per month; that's 240,000 a year. That takes postage. We send out 1,800 Family Income Plan cheques a month. We send out 1,000 cheques to foster parents per month. And we have thousands and thousands of letters of correspondence that we have to respond to, from clients and people who write to me, and so on.

This 875 is our total postage budget for the whole department. A very small percentage of this would be for mailing out social assistance cheques. A number of those cheques are also deposited directly into people's accounts. So if you are suggesting that people should have to come down and pick up their cheque unless they can prove that they're not physically capable, then that's a value base, that's a value that you're making, that by and large people, if they're on assistance, do not have the right to feel any dignity about being on assistance.

You know, if the Provincial Auditor is satisfied that we've got adequate control measures — and we're working with that office to make sure that we enhance the control measures because we do have an accountability to the public — we're accomplishing what you've asked, and more, by the cheque pick-up approach of Mr. Schmidt. We're accomplishing more than he is, in a way that's more effective and a way that allows clients to preserve some dignity.

So I'm sorry but I do not subscribe to the theory that people should pick up their social assistance cheque unless they can demonstrate that they just can't physically come down there and do it. There's a dignity issue involved here that I think is fundamental to our program, and we make some assumptions about why people are on assistance, and blaming them, if we want them to come down and pick it up and it wouldn't be possible in many cases.

I will send over to you now — because we now have it available — the measures that we put in place to make sure that we are spending money wisely and accountably, and what our protocol is with regard to fraud and abuse.

**Mr. D'Autremont:** — Well thank you, Mr. Minister. You talk of dignity, but how much dignity is there in it for the taxpayer of the province if you're not even prepared to look at the possibilities that a cheque pick-up program may have some financial value. You talk of dignity and yet you said that your caseworkers have the right or the authority to designate someone to come down and pick up that cheque. Aren't they then making a value judgement much more severe on that individual than asking all clients, that are able to do so, to come down and pick up their cheque.

When your caseworker designates an individual to pick up their cheque, they're saying, you as an individual, within your department system, have something special about you that warrants you coming down to pick up your cheque. Whereas if all

of the individuals were in that position, no one is singled out, no one's dignity is more or less affronted by it. But when you point out one individual, then you are indeed saying to that person that there is some special reason why you must come down here.

And I think, Mr. Minister, that the taxpayers also deserve some consideration in this. And if there is some savings to be made, I think those savings should be given serious consideration because the taxpayers of this province also have dignity that must be respected. It's they earned the dollar, and they contributed to the provincial coffers, and their dignity also needs some respect, Mr. Minister.

**The Chair:** — Can I impose on the members in the back to break up their large group and take their discussion outside the Chamber. Thank you.

**Hon. Mr. Pringle:** — Well you know, that's a fine political speech you just made, but the reality is that we've enhanced and we've put in place greater control measures, but in a more dignified way and a more . . . and a way that allows people to save some self-respect in a way that Mr. Schmidt didn't do. Plus we've done a cost/benefit analysis of his approach, and it doesn't recover the money that it's designed to do. It's good politics. He tried to make good politics out of it, but I am concerned that you're getting the message that somehow, because we don't herd down thousands of people to the welfare offices every month to pick up their cheques as you're advocating, that we're somehow not being accountable. I mean that is an approach that I wouldn't approve of.

But what I do agree with you on is that there needs to be good accountability systems in place. I would venture to say that we have better accountability system in place than the previous administration. The auditor is satisfied. I want you to hear this. The auditor is satisfied.

**An Hon. Member:** — Are the taxpayers?

**Hon. Mr. Pringle:** — Well the auditor certainly takes taxpayers' interests into account; that's what it's all about, that we've got good control measures. And there's suggestions for improvement, and we'll continue to work with that office. But to suggest that we're irresponsible when in fact we've got very good control measures in place, it's just simply not accurate.

The other thing I would say is we've calculated here in the last few minutes that less than 25 per cent of that 975,000 a year for postage would be . . . of the 875, pardon me — less than 25 per cent would go to mailing social assistance cheques to clients. So keep that figure in mind; that's over the course of the year as well, okay?

**Mr. D'Autremont:** — Thank you, Mr. Minister. I'd calculate it out approximately 200,000 for social service cheques.

I wonder if you could supply us with the study that

you say shows that there isn't a value in having a cheque pick-up.

**Hon. Mr. Pringle:** — Well let me say that we did our assessment of the measures that were in place like the mass cheque pick-up, the special investigations unit, the secret police that were in place. And we determined . . . (inaudible interjection) . . . Well that's true. We determined basically that a verification approach that is targeted is a better approach to use. We do randomly 850 investigations per month on a random basis, so we believe that to verify eligibility prior to printing the cheque is a better approach than a punitive approach later. That's the approach that we use. If we determine that somebody has defrauded the department, then we take appropriate action.

So I sent you over the list of measures that contribute to that verification. If you feel that those, when you add those up, that they're not as accountable as a cheque pick-up, a mass cheque pick-up, then we're going to agree to disagree on that matter. We believe that this is more accountable. And you don't have to take my word for it. Read the Provincial Auditor's report.

**Mr. D'Autremont:** — Well, Mr. Minister, thank you. I wonder if you could provide us, rather than just simply your own words, a physical study that would indicate . . . you said you did a study, so there must be a study some place within your department that would indicate that there is not the value there in a cheque pick-up, that there is more value in the accountability systems that you have put into place. Do you have such a study?

**Hon. Mr. Pringle:** — Look, we did our own internal study. I mean our objective was not unlike yours, that is, to make sure that we're being as accountable as we can.

We had no interest in being less accountable than you, than the former administration. I mean why wouldn't you want to be as accountable as you could be?

We determined in our cost/benefit analysis that we could bring in additional control measures that would be as effective or more effective than the cheque pick-up. I'm not sure why the cheque pick-up is the key element in an accountability measure that allows you to ignore all the other measures. And I can tell you right now that we're not going to return to a mass cheque pick-up approach.

But that doesn't mean we're not accountable. We're very accountable. And the taxpayers have some confidence in that through the Provincial Auditor's report. That's the place that they can look. I want to ask you if you've read that report, because that will give you a better indication of whether or not that the watchdog in the financial area believes that we're spending money wisely. And we fare very well there.

**Mr. D'Autremont:** — Thank you, Mr. Minister. The auditor determines how the money was spent and

whether it was spent properly within your authority, but he doesn't determine whether or not the funds issued were done so within the proper criteria of the Social Services department.

So, Mr. Minister, you've talked about secret police and the verification. Well perhaps your thoughts are reverting back to the old Soviet system. But these people were not spies; they were investigating complaints and possibilities that there was fraud, but they certainly weren't lurking in bathrooms waiting for people.

Mr. Minister, you talk about the new accountability that you've put into place. Exactly what have you done? Because whenever there's a change in the Social Services department someone is always affected. And if they're affected, from what I've learned in two and a half years, they always phone their MLA (Member of the Legislative Assembly) and complain about it.

And, Mr. Minister, I'd have to say that I've received very few phone calls about people complaining about any changes in the system. So if you have put in new accountability systems, then how are they affecting people? I receive complaints if the cheque doesn't arrive at the proper time, but I haven't received a lot of complaints about people who feel that they're being excluded from the system, that the accountability is too tight, that there's a problem with it. So what have you done?

**Hon. Mr. Pringle:** — Let me just clarify that the — and correct you if I may — that the auditor does look to see whether there are financial controls in place and whether they're being utilized. And so that verification is done by the Provincial Auditor and the auditor is satisfied.

Now I sent you over some information. If you want, I would be quite happy to go over the financial controls that are in place for you because you're . . . These are additional to the ones I sent you.

The annual program audit, a random sampling of approximately 300 cases are audited each year to monitor for annual financial error trends. Controls are adjusted from time to time, as indicated by these trends. That's the annual program audit.

Secondly, worker accountability. Social assistance workers take full responsibility for cases instead of relying on others to enter the data, interpret the policy and calculate entitlement. That's important so that there's nothing lost in terms of somebody else processing their file from there. A variety of tools are available to assist workers including automatic messaging, chronological recordings and benefit calculations and so on.

A third control, worker verification. Workers carry out a variety of routine verifications including client identification, confirmation of living arrangements, verification of receipts, wage stubs to confirm their income, the verification of utility bills, submission of

receipts for special needs.

(2115)

The fourth area, financial assistance workers. We hired 30 social financial service workers primarily to verify clients' circumstances. Again, adding to the verification process to ensure that there's proper documentation. And from time to time that has resulted in some errors; detected some fraud and we've made the appropriate referrals.

Systems controls have been put in place preventing duplicate assistance from other provinces with the UIC program. Benefit payment methods, cheques for shelter made out to the landlord and the client; benefits paid directly to vendors on behalf of clients; trustees may be appointed for clients who have demonstrated that they can't manage their money; semi-monthly cheques for those who can't manage their cheques on a monthly basis.

And these are — I could go on and on — but these are the kinds of controls that are in place to ensure that we're spending money wisely and the taxpayer can be assured that we are spending that money wisely. There's nothing magical about cheque pick-up being the one system that is the overall best system. The auditor is satisfied with our control mechanisms. I've sent them to you. Well one page . . . (inaudible interjection) . . . Well we'll provide you with whatever's in place. I'd be happy to do that. But we're cooperating with the Provincial Auditor, and I want to be clear that the Provincial Auditor does have the authority and actively engages in the verification of the control mechanisms and their applicability — and their application, pardon me.

**Mr. D'Autremont:** — Thank you, Mr. Minister. Would you table those two documents, please.

Mr. Minister, you ran through quite a number of checks and balances there. Were those in place in previous years or what changed in there? You talked about the Provincial Auditor. The Provincial Auditor doesn't do value-for-dollar auditing. He checks that you're spending the money as you're properly authorized, he checks that some of your verifications are in place, but he doesn't check for value for dollars.

I don't care what the system is, providing the province is receiving the maximum value for its dollar that is being spent. If that means cheque pick-up, so be it. If it means some other system, so be it. I'm not particularly concerned that everyone has to go and pick up their cheque if there is a more economical way of doing it. If that's the most economical way, then that's the way I think we should be looking at. If some other method different from cheque pick-up, different from what is happening now, is the most economical way to do it, and the most accountable, then that should be the way that it's done.

So, Mr. Minister, what changes are there in place on that list that you read from previous years?

**Hon. Mr. Pringle:** — I will send you over these additional control mechanisms and procedures. But let me say that, just very quickly, worker verification — and when you see the headlines here — worker verification, the additional financial services workers, the benefit payment methods, the computer interfacing with other programs, the quality improvement measures, the assignment of UIC benefits, the accounts receivable collection procedures, and the improved client information are all new since we came to power.

And I might say that you say you're not getting calls about the system not working. Well I'm happy about that. I'm happy about that. I mean that's an indication that the system is working. I can assure you that I was a member under the former administration, and I got lots of calls because the system wasn't working. So I'm happy you're not getting lots of calls. We'll send this over to you. If you have any more questions, I'd be happy to provide the answers as best I can.

**Hon. Mr. Lingenfelter:** — I move the committee rise and report progress and ask for leave to sit again.

### General Revenue Fund Highways and Transportation Vote 16

#### Item 1

**Mr. Goohsen:** — Thank you, Mr. Chairman. Minister, well it's good to get back to Highways. Having journeyed in from across the western side of the province into the city today, and using the highways to get here, I noted that we've got a lot of work to do. So I suspect the thing to do is to get right at it and discuss it.

I did want to take you back though. We had a really nice discussion about this on Friday and some of the things that you indicated to us were of particular interest. You mentioned to me that you were spending \$62 million this year on highways; 22 million of that is to be spent in rural Saskatchewan. I kind of wondered, why is there such a difference there and where does that 62 to 22 kind of balance come in? How did you figure that out and what's going on?

**Hon. Mr. Renaud:** — Thank you, Mr. Chairman. The Highways capital budget this year is \$62 million. The Department of Municipal Government actually funds a rural road programs.

**Mr. Goohsen:** — Interesting, Minister. Well I think we'll attack this a different way. We'll get at some specific issues. Maybe we can find out where the 62 million is getting spent by going about it that way.

In February of this year, Minister, Doug Archer, the mayor of Regina, and the entire Regina Council, expressed concerns regarding the department's plans to build a series of bypass roads that would cause a great deal of commercial traffic . . . And this traffic would be caused to be diverted around the city, I take it, and completely bypass the city. Now the concerns of course being expressed that this would sort of rob



the city of people attending into the city to buy the things that they buy as they come through, and there might be some serious economic spin-offs that would be lost as a result of those kinds of construction bypasses.

So what is your plan with regards to those bypasses? Are you still planning to go ahead with them, and if so, perhaps you could give us a brief outline of what they would be entailing and how they would work?

**Hon. Mr. Renaud:** — Thank you, Mr. Chairman. Transportation studies are done around major communities on an ongoing basis. For example, there was one just completed in North Battleford, Saskatchewan, because as you know, as 16 is twinned, North Battleford has some concerns about how their transportation system will look like. The study by Reid Crowther actually had two options in the case of North Battleford — one was a bypass and one was a direct route through the city, pretty much as to where Highway 16 travels now. With consultation with the community, Reid Crowther decided that probably the best option was directly through the city on the existing route.

So that's exactly what's happening in Regina. There is a study because of the transportation needs around Regina, but certainly there will be consultation with the city, with the people of Regina, before any decision will be made. It's a long-term study to look at the needs of the future.

**Mr. Goohsen:** — So I take it, Minister, that you wouldn't be planning on doing that this year then, probably, or next. It'll be something that you'll decide as you're going along, and you're going to do these consultations with the mayor and his council as you go along. Will you be doing that directly at all yourself or will you allow this study group that you're . . . I think you implied you're appointing some people to a study group to study this out. Will they be doing it all or will you get directly involved yourself?

**Hon. Mr. Renaud:** — Certainly, through you, Mr. Chairman, I am not an engineer so I will certainly not be involved myself. Reid Crowther will be doing the study in consultation with the community and the Department of Highways, and it's a study to look at the next 10 years of the transportation needs of the city of Regina.

**Mr. Goohsen:** — Thank you, Mr. Chairman, and Minister. I'm sure that the fathers of the city of Regina and other cities throughout the province will be listening very carefully to how you're planning to conduct this process.

I know that we talked about the serious problems that you have trying to finance your department last Friday, and having thought about that over the weekend, I feel nothing but sympathy for you as a minister because it is a reality that the Department of Highways has been cut very significantly in dollars to work with. And I'm seriously concerned that you may not be able to do the job that is necessary to be done. I

therefore am suggesting to you that everybody in this province should write a letter to your Finance minister pointing out that highways do need to have some consideration in the budgetary process.

I think that when I looked over the figures, it seemed that you were proportionately cut back far more over the years in the Department of Highways than many of the other departments have experienced. And I won't restrict that simply to the last two years. I'll go back for several years and let the shoe fall on who it may, the truth of the matter being that Highways has suffered cut-backs to finance other pressing matters for a considerably long time.

And we do have some very serious repercussions that are going to result from that and those repercussions being, of course, that some day we're going to find ourselves with just a huge amount of road repair to do and a whole lot of rebuilding to do that we simply won't be able to afford, and we're going to have to actually maybe go ahead with some of the ideas that were talked about before where we may have to just close highways down and block them off and say, no longer fit for use. And that worries me, and I'm sure it worries the people of Saskatchewan because we have so many miles that need to be taken care of.

And just for the record, I wonder if you would have your officials look up the numbers of miles of highway that we do have. I know that you'll have that on the tip of your fingers there. How many miles of highways do you have in your jurisdiction that you have to take care of? And with this budgetary figure that you mentioned earlier, how many dollars do you have per kilometre to maintain our highway system in the province? I want to know if that is a realistic kind of thing that we're looking at or if we are in the kind of serious trouble that some folks have indicated to me that we might be in.

(2130)

**Hon. Mr. Renaud:** — Thank you for the question, through Mr. Chairman. As you are well aware, we have a \$6 billion road infrastructure in the program. About four and a half billion dollars of that is highways. We have 25 per cent to 30 per cent of the highway network in Canada.

Our priority of course at this time is to preserve and maintain that infrastructure. Do we need to add to it? Certainly there are certain areas that we need to look at, and that was brought up on Friday by yourself, the twinning of some of the highways. There's roads in the North like the Athabasca road. So there has to be some addition to our infrastructure. But certainly our goal is to prioritize maintenance and preservation of our existing system.

There are 26,000 miles of highway that has blacktop, either thin surface or better surface. And so if you divide 26,000 kilometres into the \$62 million budget, I guess, you sort of know what it is per kilometre that we have to spend this year.

**Mr. Goohsen:** — Minister, my shorthand figuring isn't all that quick, but I'll get a calculator out here in a minute. But seriously that looks like you're cutting it pretty thin to try and keep things going. And of course we've heard from the budget time this year on talk about how different departments are taking cut-backs in manpower and so on, and you alluded to the numbers that were being cut back in the Department of Highways last time we discussed this matter.

The reality is though that folks are concerned that we don't have enough crew left in the province to properly maintain the highways system. So having said that, and recognizing that we do get crises situations occasionally — more often in the winter than any other time of course — but do you have any contingency or backup plans where you can draw on workforces from other areas or anything that we can do to comfort people that crises situations can be taken care of.

**Hon. Mr. Renaud:** — Thank you to the member's question. Again I want to say that the reduction in budget has not affected the preservation and maintenance which is our goal. The cut-backs were actually in adding to the infrastructure.

People are very understanding in the province of Saskatchewan. I hear from them every day, and they are saying that our highways are as in good a condition as can be expected, and they actually commend the Department of Highways and the maintenance crews in our province. They understand the financial restraints that we're under and are very, very understanding.

**Mr. Goohsen:** — I can appreciate your answer, Minister, because I guess I wasn't really clear. But I was sort of wondering whether you have any kind of contingency plans or agreements, formal or informal, with rural municipalities, for example, or maybe with urban municipal people to hire their equipment and that sort of thing, to go out onto the highways if you happen to have an emergency situation. Do you have any kind of contingency plans of that nature?

**Hon. Mr. Renaud:** — Thank you, Mr. Chairman, to the member opposite. We have worked some arrangements in the past, and we always have our mind open but we don't see any real need for it at this point in time.

**Mr. Goohsen:** — Well thank you, Minister. Well I'm aware that in the past municipalities have been hired to go out and do emergency snow removal and that sort of thing. And considering that we've heard from SARM (Saskatchewan Association of Rural Municipalities), and some of our own constituents, and other people from around our province who have great concern over the department's dramatic cut-backs and the numbers of rural highway crews, especially out in the miles and miles of miles and miles that we have in this province. We had reports in the media, for example, that have your department cutting numbers of crews from 280 from 130 and that . . . I think I have a note that says it was reported in the

*Leader-Post* on November 9, 1994. So maybe they were wrong and maybe you need to correct that.

But the reality is that folks out in the country, where we have miles of roads that need to be taken care of, are quite concerned that if we cut back all these crews even further . . . And we've had a track record in the past where municipalities have had to be called in to plough snow for the Department of Highways and to keep the roads open in the wintertime.

And just one little thing that happens to have occurred when I was heading home on the weekend. There was a great, gaping hole in the pavement on No. 1 Highway — nobody's fault, it's just one of those things that happens in the spring — but there was great, huge chunks of asphalt laying up on the road. And we had to do a snake trail through them with the car, bounced over a few and some weren't so lucky and the guy was sitting in the ditch over there. It was all fixed up the next day. I had occasion to be back on the road again the next morning. And I give full credit to the people in the department for getting those things corrected in a hurry.

But the reality is that you can get a lot of that sort of thing going on. In the springtime you may end up with a shortage of crew. So we really seriously think that you should reconsider your position of back-up crews and comfort the people by agreeing to get out and make some deals with municipal people or whoever it takes, maybe private contractors, to have them on call.

**Hon. Mr. Renaud:** — Thank you. Through Mr. Chairman, certainly we've looked at the maintenance crews and studied the efficiencies of the crews. In fact we've looked at a lot of efficiencies in Highways. For instance, we are contemplating allowing our signs to be left on the highways for an additional two years, which will be quite a savings. We're looking at building snowploughs right in the province of Saskatchewan, which will save us another \$160,000.

And in fact, sir, we're looking at taking the minister's picture off the highways map, which is kind of disappointing to myself but which will save the taxpayers of this province quite a sum of money, especially if we can look at selling advertising in that place. But I want to say that there is no plans to change the highways crew. We will continue to look at efficiencies in the system.

You speak of cooperation. It was interesting at the SARM convention that I met with a lot of municipalities that suggested we talk to each other, to private industry, to see if we can come up with some partnerships in regards to roads in a particular region, and we certainly will be meeting with those municipalities.

As far as the hole you hit on No. 1 Highway, certainly let me know where it was and I will certainly be more than happy . . . or have my department officials look into that.

**Mr. Goohsen:** — Well thank you, Minister. I really do appreciate that, but the road was fixed the next morning and that one's taken care of.

I wanted to talk to you a little bit about the federal program and whether we have any chance of getting that expanded. Now I heard some talk about that there was some things up North that were cut back and that sort of thing. Maybe you can enlighten us about that and give us a bit of insight as to whether or not you have negotiations going with the federal government to initiate some further plans for: No. 1 Highway of course would be the first one to come to mind; the Yellowhead trail would be the second one; the Red Coat Trail of course would be the third one. And then of course, you know, how the priorities of our roads go as far as federal relationships are concerned, and sort of interprovincial travel and those kinds of things. So where are we at with those kind of deals?

**Hon. Mr. Renaud:** — I'm not quite clear of the question, Mr. Chairman, but I believe it's to do with the strategic highway improvement program which was signed last year. That's the program where it's cost-shared between the federal and provincial government. We were able to sign a deal for \$70 million which included some of the twinning of No. 16 — about half of the \$70 million will be used there. There is work on No. 1 Highway. There was some last year and there will be more this year. No. 7 as well is another highway that's under SHIP (strategic highway improvement program) program; No. 11 as well. So there are a number of projects under the SHIP program.

We certainly would like . . . and we will continue to be talking with the federal government as to some type of national highways program. There is a considerable amount of highways in Saskatchewan that are of a cross-Canada nature, and we believe that the federal government should certainly participate in the upkeep and the enhancement of those roads, and we'll continue to work that.

Our budget . . . with 3 per cent of the population in Canada, and our tax base, we just cannot afford to fund major highway programs like No. 1 Highway or like 16 on our own, so we'll continue to work with the federal government in that regards. And I'm certainly glad that you realize how good our maintenance staff are in your area to have that hole fixed the next day.

**Mr. Goohsen:** — Mr. Chairman. I wonder, Minister, if you could tell us some of the percentage figures of the traffic that comes through our province that uses those highways that interconnect Manitoba and Saskatchewan and Alberta and, of course, the flow from north and south a little bit. Are there any studies done or do we do any road counts or anything to try and determine what percentage of the traffic on, say No. 1 and the 16 highway and the Red Coat Trail, what percentage of the traffic on there would be out-of-province traffic or people from the province leaving to go to other provinces? In other words, sort of a federal responsibility that we could tie to it in a negotiating process.

**Hon. Mr. Renaud:** — Thank you, Mr. Chairman. To the member opposite, what I can do is send you a copy of the map that has the traffic counts for the whole province which might be very handy. But, like No. 1 for instance, the average daily traffic count at the Alberta border is 2,050 vehicles per day. And if we go to the Manitoba border, the count there is 2,020. On No. 16 at Lloydminster it is around 1,700 vehicles per day, and at the Manitoba border it's approximately 1,400. So I'm not sure if that's the figures you are looking for, but that's the count on the Manitoba border side and the Alberta border side. Now how much of that is through traffic because, of course, some of that would be local traffic, I can't give you that number.

**Mr. Goohsen:** — Thank you, Mr. Chairman. Minister, I wonder if we took then the count some place like at Regina or Moose Jaw and kind of compared it, would we get an idea of how much of that traffic then is local? Is there any chance that we might be able to come up with some kind of a debating point or an arguing point that we can go to the federal government with and say, look, Saskatchewan's a big province, but we are accommodating traffic that is passing through our province, and therefore there's a federal responsibility to help us to finance these roads?

I'm trying to build an argument for you and for Saskatchewan to get some more dollars from the federal government to improve our highway system, because I honestly think the federal government does have some responsibility here, especially in view of the fact that they are seemingly going along with the abandonment of many of our railroads and causing even a lot more heavy traffic onto a lot of our roads because of the transportation of our goods and services where our railroads are being abandoned, and people have to use the only other alternative which is road traffic.

We don't have helicopters big enough in this province to transport our grain around. So I think we have to put together a package argument as a province that will somehow convince the federal government that they have some responsibilities in this area.

Would you like to try and work on those figures a little bit and show us if we do have in fact some kind of an argument there?

**Hon. Mr. Renaud:** — Thank you, Mr. Chairman. To the member opposite, it's quite interesting to note that on No. 1 in the Indian Head to Pilot Butte area, the average daily vehicle count is forty-two ninety, and between Regina and Moose Jaw is 7,100. If we go to Saskatoon now on No. 16, the area from Colonsay into Saskatoon is about 6,500. And the area from Saskatoon toward North Battleford, right near Saskatoon, is 5,300.

I do appreciate your support because I really believe that it is important that the federal government help us in this situation. The Canadian federal government, as I mentioned earlier, funds about 6 per cent of national

highways in Canada, and that's the lowest of the industrial countries. So certainly they have a responsibility, and I would appreciate your support.

We are of course concerned, as you are, about rail line abandonment and what it's going to do, not only to the provincial highway system, but also to municipal roads in our province. So any support that we can get from the official opposition would be greatly appreciated.

**Mr. Goohsen:** — Thank you, Mr. Chairman. Well, Minister, just looking at the figures that you threw out now, it looks like you've got a couple of thousand traffic numbers on the edges by Alberta and Manitoba and 1,700 . . . 1,400 up North. When you compare that with the sort of periphery figure that you gave us, it looks like that's about half the traffic as compared to that. And then closer to the cities it gets to be about one-third of that amount of traffic. So in reality we've got about between one-third to one-half of the traffic on some of these main roads that is attributable to traffic outside of our province just coming through.

Now I know it's kind of a long stretch, but those figures seem to support a pretty good argument that the feds should be kicking in some dollars here. And that's not even considering the offloading that we're going to get, as you say, as a result of the loss of our rail lines in our municipal areas. And there's great concern about that out in the country. And I think that's another issue that we definitely have to throw in the mix when we go to negotiate. And I'm hoping that you'll do that. I hope that you will take these arguments very seriously, do some good mathematics on it, and take it to the federal government.

(2145)

I'm also concerned whether or not . . . I've got two more areas here. First of all, the one of interstate highways in the United States. The American government obviously has taken responsibility for its country at a federal level, and they've built an interstate highway system, and the federal government has put an awful lot of money into that. And I'm sure you're aware of the fact that in their transportation system, the American military puts an awful pile of money into the Mississippi River system so that grain can be moved practically free of charge at the military's expense.

Unfair subsidizing of transportation — when they compare their transportation costs to ours in some of these negotiations that go on, but just something for you to think about. I'm sure that you already know about, but to refresh your memory, that those kinds of things have happened to our neighbours in the South and they take their responsibilities very seriously down there at a federal level. Maybe we can make those arguments with our federal government as well.

The other area of concern I have is whether or not you've given some consideration to the possibility that we can tie a federal responsibility to our road structures as a result of the need for health care. We

see more and more the need to centralize our health care. Your government has worked very long and hard to a lot of detriment to some folks, I guess, or at least they think so.

But the reality of — you know whether we agree with the program or not — the reality is that we are centralizing our health care, and that means we have to get patients from rural areas into central locations if they're going to get emergency care or health care in a lot of cases. So how do we get them there? Well we don't have this fleet of helicopters that one Reggie Gross talked about some years ago, and maybe it wasn't all pie in the sky. But I remember people thinking, you know, it was very expensive and we couldn't do it. And we don't have it. That's the reality.

We do have roads though, and we do have ambulances, and if we're going to centralize our health care because of all the reasons that we've heard — I know many people on your side have made the argument that downloading from the federal government has caused us to have to do a lot of these terrible, hurtful things to our people in the province — so maybe we can tie a responsibility of road upkeep for health care to the federal government as well, and maybe we should be lobbying for some dollars to fix up our highway system on the basis that they're causing us the problems of keeping our roads up, so that we can get our people into the hospitals and that sort of thing.

And maybe I'll let you comment on that sort of round of discussion before I go into some more of the actual facts and figures here.

**Hon. Mr. Renaud:** — Thank you, Mr. Chairman, and to the member opposite. We of course have made all the arguments to the federal government and we will continue to do so. I think it's really important to look at the economy of Saskatchewan, what's happened in the last year or two. Grain movements, as you mentioned earlier, used to be short distances. I know when I was on the farm probably we had to deliver our grain 16 miles perhaps, or 10 miles, to an elevator. Now lots of those trips are 150 kilometres or more.

We look at the oil industry and how it's picked up in the province of Saskatchewan. In many areas the municipal roads, as well as the highway system, are getting tested because of the additional oil activity in the province. I know in the Kelsey-Tisdale area, for example, lumber is of good value right now and the mills are very busy, and the lumber industry is doing well, but it is a test on the road system again. So we will continue to work on maintenance and preservation of our road system, and any federal help that we can get would certainly be appreciated.

**Mr. Goohsen:** — Thank you, Mr. Chairman. Well, Minister, somebody has informed me that if I don't get busy with my questions, I'll have to shut the lights out here tonight, and I don't know where the switch is. So I want to get right down to . . . One of the articles I read in the **Leader-Post** here, on March 12, 1994, and it says there that apparently there's been a withdrawal of

some money. And I'd like to know what the current status of the plans are for a road from Points North Landing to Black Lake, now that the \$15 million federal funding for this project has been withdrawn.

**Hon. Mr. Renaud:** — Thank you, Mr. Chairman, to the member opposite. Originally when we're dealing with the federal government, the offer that was on the table was about \$14 million. They requested that the province match that. Their \$14 million was actually savings that would be made, or part of it was savings that would be made because of the dredging costs on the Alberta side of the border to supply barges to the communities on Lake Athabasca. Since that time the federal offer of course, has dropped dramatically. They're now at 6 million, or they were at 6 million, and then finally they were at zero. We are continuing to discuss the Athabasca road with the federal government because we think it's important not only to the people of the North, but to the industry in the North as well as tourism.

Our last proposal to them was that, if the federal government did fund the road, that we would look after the maintenance of the road and slowly upgrade that road to an all-weather road. The cost of that is about \$15 million. The cost of maintenance is approximately \$1 million per year. So if we maintain that road for a period of 15 years, our contribution would be \$15 million.

**Mr. Goohsen:** — Thank you, Mr. Chairman. I was trying to put together the thoughts that concerned that whole process, Mr. Minister. It seems like you've been sort of — I don't know — shot down I suppose or . . . I don't know. What's the word when somebody makes a deal with you and then backs out and tries to stick you with all the costs and tries to manipulate the process so that over a period of time the people of a province end up caught paying for the whole project through some kind of manipulation. It makes me wonder what's going on up there.

So I'm hoping, Minister, that — if I understand this right — I'm hoping that you can get back to the negotiating table with those folks and get this thing straightened out. I've never been up there so I have no personal idea just exactly how this project would work. But it obviously seems important enough that people have talked about the economic spin-off for the whole province as a result of opening up certain areas of the North for trade and industry and employment and all kinds of things. And certainly, Minister, we do need a lot of jobs in this province. And if there's an avenue up North for us to be able to work something out so that we can create something or get more manufacturing, more lumber, more whatever — mining, fishing, tourism, anything — it certainly holds well that we would bargain for that.

So, Minister, I encourage you to get right up there and go to Ottawa if you need to, and I'll go with you if you have to, and we'll see if we can't smarten these guys up and get some money for the province of Saskatchewan and build some roads.

**Hon. Mr. Renaud:** — I'm not sure what the question was, Mr. Chairman, but I believe the reason that the talks fell apart was, as the member will know, about election time last year, and I guess the federal Tory government didn't want to make any commitments and now the federal Liberal Party seems like they're not that sure about making any commitments. But I can assure you that we will continue to work with the federal government to try and get a commitment. I know if the Leader of the Third Party was here tonight I would ask her for her help, but we will continue to work with the federal government to make this project a reality.

(2200)

**Mr. Goohsen:** — Okay, Minister, I'm guess I'm sorry about that. I didn't actually end up with the question I wanted to ask you which was of course: how would those federal government funding changes affect that road in the North, and would you be able to continue with it or not? And so while you think about whether or not you can do something, you know, on our own to at least get the folks through up there to sort of coexist or keep living, perhaps you can enlighten us a bit more on that.

I guess one of the things that we worry about in the province right now, Minister, is the roads that are going through some of the reservations. Now I've had several calls myself, and I don't want to get into this at length tonight, but I want you to think about it because I know we're going to have to get together and do these estimates and considerations of highway matters in the future and this does pose something of a problem with getting these roads through the reserve. So I wonder if you would think about that, maybe you want to answer tonight a little bit, and get a grander plan for another evening.

The committee reported progress.

## MOTIONS

### Hours of Sitting

**Hon. Mr. Lingenfelter:** — Mr. Deputy Speaker, I move, seconded by the member from Rosthern:

That by leave of the Assembly, that notwithstanding rule 3 of the *Rules and Procedures of the Legislative Assembly*, when this Assembly adjourns on Thursday, March 31, 1994, it do stand adjourned until Tuesday, April 5, 1994. I so move.

Motion agreed to.

The Assembly adjourned at 10:02 p.m.