

The Assembly met at 1:30 p.m.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Mr. Elhard: — Thank you, Mr. Speaker. I rise this afternoon to present a petition on behalf of constituents of Cypress Hills in opposition to the concept of forced amalgamation of rural municipalities.

And these signatories are from the communities of Gull Lake, and Tompkins, as well as Webb and Abbey.

I so do present.

Mr. Heppner: — Thank you, Mr. Speaker. I too rise to present a petition, and this one deals with some of the things that are happening in our province dealing with court houses. And I read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen Bench services in the community of Weyburn.

And this is signed, obviously, by the people from Weyburn, as well from other places such as Yellow Grass and Midale.

And I so present.

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to present petitions to the Assembly on behalf of people throughout Saskatchewan who are opposed to forced amalgamation of municipalities. And the prayer reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to urge the government of Saskatchewan to reject proposals of any forced amalgamation of municipalities.

And the signatures on this petition, Mr. Speaker, are from Burr, from Lanigan, from Humboldt, and from Guernsey, Saskatchewan.

I so present.

Ms. Draude: — Thank you, Mr. Speaker. I have a petition today regarding a Weyburn court house:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen Bench services in the community of Weyburn.

The people that have signed this petition are from Weyburn and Yellow Grass.

Thank you, Mr. Speaker.

Mr. Boyd: — Thank you, Mr. Speaker. I'm pleased on behalf of the residents of Weyburn as well to present a petition in support of their court house:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue the Court of Queen's Bench services in the community of Weyburn.

Mr. Gantfoer: — Mr. Speaker, I rise on behalf of citizens concerned about the high price of fuel. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

Signatures on this petition, Mr. Speaker, are from Saskatoon and Melfort.

I so present.

Mr. Peters: — Mr. Speaker, I present a petition on behalf of the citizens of Weyburn and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench service in the community of Weyburn.

And it is signed by people from Radville and also Weyburn.

I so present.

Ms. Eagles: — Thank you, Mr. Speaker. Mr. Speaker, I stand to present petitions on behalf of citizens concerned about the Weyburn court house closure, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench services in the community of Weyburn.

The signatures are from people in Midale, Weyburn, Trossachs and Griffin.

I so present. Thank you.

Mr. Wall: — Mr. Speaker, I rise today to present a petition on behalf of people in Swift Current concerned about their hospital. The prayer reads:

Wherefore your petitions humbly pray that your Hon. Assembly may be pleased to cause the provincial government to assist in the regeneration plan for the Swift Current Regional Hospital for approximately \$7.54 million thereby allowing the Swift Current District Health Board the opportunity to provide improved health care services.

And Mr. Speaker, the petition is signed by people in Swift

Current and Stewart Valley.

I so present.

Ms. Bakken: — Mr. Speaker, I rise today to present a petition on behalf of the great people from the constituency of Weyburn-Big Muddy who are concerned about their court house. And I read the prayer:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench services in the community of Weyburn.

And this is signed by constituents from Weyburn and Yellow Grass.

I so present.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, I also have petitions to present to keep the Weyburn court house open. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench services in the community of Weyburn.

And the signators are all from the community of Weyburn, Mr. Speaker.

I so present.

Mr. McMorris: — Mr. Speaker, I stand too to present a petition regarding the court house closure in Weyburn. The prayer reads as follows:

Where your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench services in the community of Weyburn.

And as in duty bound, your petitioners will ever pray.

And this one's signed from people from Weyburn, Yellow Grass, Fillmore; a number of areas in my constituency also.

Mr. Weekes: — Thank you, Mr. Speaker. I also rise to read a petition concerning the loss of court house services in Weyburn:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench services in the community of Weyburn.

I so present.

Ms. Harpauer: — Thank you, Mr. Speaker. I have a petition with citizens concerned about the lack of cellular service in the Watson area. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial

government to ensure reliable cellular service to Watson and area by installing a cellular tower at Watson.

The petitioners, Mr. Speaker, are from Watson, Melfort, and Hudson Bay.

I so present.

Mr. Wakefield: — Mr. Speaker, I have a petition from the citizens of Weyburn and Midale area. It's concerning the Weyburn courthouse. I'll read the petition:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench services in the community of Weyburn.

I so present.

Mr. Hart: — Thank you, Mr. Speaker. I have a petition to present dealing with calling for reduced fuel taxes. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the federal and provincial governments to immediately reduce fuel taxes by 10 cents a litre, cost shared by both levels of government.

And the signatures to this petition come from Southey, Regina, Raymore, and Wynyard, and also Earl Grey.

I do so present.

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to bring forth a petition regarding forced amalgamation:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to halt any plans it has to proceed with forced amalgamation of municipalities in Saskatchewan.

And the petitioners signed are from Spiritwood, Mildred, and Holbein.

I so present.

Mr. Stewart: — Thank you, Mr. Speaker. I have a petition here as well from citizens concerned about the closure of the Weyburn court house, and the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench services in the community of Weyburn.

And the petition is signed by individuals from Weyburn.

Mr. Kwiatkowski: — Thank you, Mr. Speaker. Mr. Speaker, it is with great responsibility that I rise to present a petition to keep the Weyburn court house open. The prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to continue Court of Queen's Bench services in the community of Weyburn.

And as in duty bound, your petitioners will ever pray.

The petition is signed by the good folks of Weyburn.

I so present.

READING AND RECEIVING PETITIONS

Clerk: — According to order the following petitions have been reviewed and pursuant to rule 12(7) they are hereby read and received:

Of citizens of the province petitioning the Assembly on the following matters:

To halt any plans to proceed with the amalgamation of municipalities;

To ensure reliable cellular service to Watson and area;

To provide funding for the Swift Current Regional Hospital; and

To cause the federal and provincial governments to reduce fuel taxes.

NOTICES OF MOTIONS AND QUESTIONS

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker I give notice that I shall on day no. 24 ask the government the following question:

With reference to the Humboldt court house: how many Court of Queen's Bench trials or other Queen's Bench proceedings took place in the Humboldt court house in 1999; please give the dates of each proceeding and or trial; what is the detailed breakdown of cost savings the provincial government will experience through the removal of Court of Queen's Bench services from Humboldt; what will be the increase in costs for other court houses in other communities as a result of the closure of the Humboldt court house; how many jobs will be lost as the result of this closure; and how many of the current employees have been offered other jobs within the justice system; and how many applications for trial are currently before the Humboldt court?

I so present.

INTRODUCTION OF GUESTS

Ms. Julé: — Thank you, Mr. Speaker. Mr. Speaker I'd like to introduce to you and through you to the Assembly, some very distinguished guests sitting in the east gallery; three people that have been very instrumental in bringing accountability to the Metis association of Saskatchewan and they are to be commended for their work.

We have sitting in the east gallery, Mr. John Melenchuk, who is the CEO (chief executive officer) of the new Metis Party of Saskatchewan. And accompanying John is his mother, Elder Bernice Allery and a special friend of John's, Jodi Neudorf.

And I ask the Assembly to please join with me in extending a very, very warm welcome to John, to his mother, Bernice, and to Jodi.

Hon. Members: Hear, hear!

Mr. Kwiatkowski: — Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you to all members of the House, four individuals seated in your gallery. They are Mr. Gillis MacDonald of Leroy, Saskatchewan, president of the Saskatchewan Regional Parks Association; Jennifer Ennis, of Grenfell, Saskatchewan, a director for the Saskatchewan Regional Parks Association; Mr. John Froese of Swift Current, an SRPA director; and Mr. Rick Gardiner, the executive director of the Saskatchewan Regional Parks Association.

Mr. Speaker, these are the community volunteers that coordinate the activities of 101 regional parks in our province that generates over \$10 million worth of revenue, employs 700 people, offers to 1,000 volunteers. And I'd like you to join with me in welcoming them today.

Hon. Members: Hear, hear!

Mr. Wakefield: — Thank you, Mr. Speaker. It's a pleasure for me to introduce to you and through you to the members in the House, two people that are sitting in your gallery. These are two executives from the Saskatchewan Independent Auto Dealers Association.

I'd like to introduce Linda Klassen, a business manager, and Bob Roy, the secretary treasurer of that association. They're very interested in what is going to be happening in the upcoming debates in the times to come. And I want to welcome them here.

Hon. Members: Hear, hear!

Mr. Wakefield: — And if I could, Mr. Speaker, while I'm on my feet, I would also like to take this opportunity to introduce to you and through you of course to the members, my wife, Carrol. She's the one that rode with me last night — a nice, leisurely drive to Regina that turned out to be something in stark terror.

Hon. Members: Hear, hear!

Ms. Draude: — Thank you, Mr. Speaker. There's a couple of people in the gallery that I'd like to introduce to you and through you to the members in the House.

Mr. Tom Hengen, who is a friend to many of us in this Assembly and a gentlemen from Saskatoon. And also Mr. Gillis MacDonald. I think I'd like to join with my colleague in welcoming him here as well. He used to be my boss for a number of years, so I'm really pleased to see him here today as well.

Hon. Members: Hear, hear!

Ms. Bakken: — Mr. Speaker, I'd like to introduce to you and through you a good friend, Irene Connaughty from Sedley. She's here today to view the session.

And she is a member of WECADA which is the Weyburn Council on Alcohol and Drug Abuse, a very good organization in our community. And their main focus is a commitment to see an in-patient treatment centre in the Weyburn area and they have worked diligently for many years towards this end. And I hope that this government will somehow make their goal achievable.

And I would like you to welcome her today. She's up in the Speaker's gallery. Thank you.

Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, I'd be remiss if I didn't join with members in welcoming Mr. Froese, John Froese here to the Assembly and your gallery.

When he is not busy employing people and creating wealth in Swift Current at his small business Kruse Glass he is busy building Lac Pelletier Regional Park, along with an army of volunteers. And he does great job at both I assure you, Mr. Speaker.

And I just ask members to join again in welcoming John here to the Assembly.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

National Volunteer Week

Mr. Yates: — Thank you, Mr. Speaker. This week of April 9 to 15 is National Volunteers Week, a week during which we officially recognize the crucial role that volunteers play in the daily life of our communities, our province, our nation, and in fact, our world.

The people of Saskatchewan in particular know the value of volunteers and the necessity of their work. For example, in Saskatoon, 1,400 community volunteers contributed over 70,000 hours last year. These volunteers are the foundation of Saskatoon's 43 community associations that provide neighbourhood-based sport, culture, and recreation activities to their community.

Thousands of volunteers give of themselves to make our communities and our world a better place to live. Estimates for the worth of volunteer efforts for the entire province exceed \$20 million annually in this province.

Mr. Speaker, let us recognize how all our lives are enriched in every sense of the word by the efforts of volunteers. We appreciate their efforts and we thank them for all their hard work.

Thank you.

Some Hon. Members: Hear, hear!

Skills Canada Competition

Mr. Heppner: — Thank you, Mr. Speaker. On Friday I had the opportunity to watch a number of students from across the province in a Skills Canada competition in P.A. (Prince Albert), Carlton and Woodland Campus. I'd been invited by instructor Tim Paetkow from L.P. Miller in Nipawin, whose students have won the nationals on a number of occasions.

Very impressive — 27 different areas that the kids competed in, from flower arranging to welding. L.P. Miller incidentally won 10 of those.

And personally I was most interested in the automotive section where they had about a dozen different areas that the students had worked through. The first of those areas was identification of parts on a parts board. And I challenged the test and did better than some students but not as good as some other ones. The Minister in charge of SGI (Saskatchewan Government Insurance) would be pleased to note that answers, big parts and small parts, do not give them a correct answer.

The one disappointment though was that there were members of organizations from outside of Saskatchewan there busy hiring our Saskatchewan students away to other provinces, and students were, unfortunately too, interested in other provinces when they should have rather had opportunities in our own province of Saskatchewan.

Thank you.

Some Hon. Members: Hear, hear!

Jack Wiebe Named to Senate

Mr. Kasperski: — Thank you, Mr. Speaker. Mr. Speaker, as everyone knows by now on Friday a former member of our legislature — and more recently, our former Lieutenant Governor — the Hon. Jack Wiebe was named to the Canadian Senate. He was named, along with well-known Alberta jazz pianist Tommy Banks — a farmer and a musician. And, Mr. Speaker, I can think of worse pairings in the past.

Of course, we all know and admire Senator Wiebe. He served as an MLA (Member of the Legislative Assembly) for two terms during the 1970s here, and was by all accounts a formidable member of the opposition. And he served the province with tireless distinction as our Lieutenant Governor for the last five years.

I think I can say that — regardless of what our opinion on the Canadian Senate is — we wish Jack Wiebe well, and he is a good choice for this position.

Mr. Speaker, we wish Senator Wiebe well in his new career as a continuing spokesman on behalf of the province of Saskatchewan. And once, and I'm sure I speak on behalf of us all, to thank him for his tireless years of service as our Lieutenant Governor.

Thank you very much.

Some Hon. Members: Hear, hear!

Junior Hockey Series

Ms. Bakken: — Thank you, Mr. Speaker. Mr. Speaker, last week in the legislature, the member from North Battleford lost hold of his good sense and actually made a challenge to me. It seems his local hockey team, the North Stars, find themselves in the SJHL (Saskatchewan Junior Hockey League) final against the Weyburn Redwings. While it's not surprising that the Redwings are in the final game, I think people are a little surprised by their opponents.

Mr. Speaker, the Wings are now up two games to none after beating the North Stars twice right in North Battleford. The series now moves back to Weyburn where I'm sure the Redwings will continue to outshine the North Stars.

Mr. Speaker, the member from North Battleford wanted to be fairly safe in his bet — something about a jersey — but I've got a better idea. How about the winning city gets the other's court house?

Some Hon. Members: Hear, hear!

Annual Historical Model Legislature

Mr. Wartman: — Thank you, Mr. Speaker. I'm happy to report to the Assembly in preface to Volunteer Week that along with yourself, Mr. Speaker, and the member from Moosomin, I helped perform a volunteer service that was most educational and enjoyable. We served this weekend as Speakers for the annual Historical Model Legislature sponsored by the Saskatchewan Elocution and Debate Association.

I think it safe to say, Mr. Speaker, that your job is not in jeopardy. But it is also safe to say that neither the member from Moosomin nor I caused a legislative incident. We too ran a tight ship.

As is the custom of the model legislature, the high school debaters introduced and debated actual Bills from the 1980s during the Devine government. For the member from Moosomin, of course, this was a trip down memory lane; for me it was a dramatic re-living, re-playing of a part of our history that I had read about and seen on TV.

Mr. Speaker, when those of us in today's Assembly decide to hand in our *Hansards* and head for the pasture, we can rest assured that our traditions, our Assembly, and our province will be placed in capable hands. Along with some good fun the debates were skilful, informative, articulate, and passionate.

I can think of no better training for future leaders than to get an actual taste of the real process in the people's arena. These students were up to the task, Mr. Speaker. I congratulate them.

Some Hon. Members: Hear, hear!

Provincial High School Girls Basketball Championship Winners

Mr. Hart: — Thank you, Mr. Speaker. Tonight residents of

Wishart and area will be gathering in the community hall to recognize the success of the Wishart Marauders girls high school basketball team. The team won the 1A provincial high school girls championship at Hoopla 2000 held last month in Saskatoon.

En route to their victory the Marauders defeated teams from Hepburn and Birch Hills, winning the final game 66 to 55.

Tonight a community supper will be held to honour the girls, their coach, parents, and fans. The championship banner will be presented to the team in recognition of their success.

Mr. Speaker, I would ask all members of the Assembly to join in congratulating the Wishart Marauders.

Some Hon. Members: Hear, hear!

Anniversary of the Battle of Vimy Ridge

Mr. Addley: — Mr. Speaker, 83 years ago yesterday an episode in Canadian history — both terrible and wonderful — took place. The World War I battle of Vimy Ridge was fought with Canadian troops achieving what earlier British and French troops could not do, and that was to capture Vimy Ridge.

As with nearly every battle in the first war, we should remember this victory was achieved at a terrible cost on both sides. Canadian troops suffered over 10,000 casualties with 3,600 killed.

But this battle for Canada, more than any other, is significant because it was just that — a Canadian battle and a Canadian victory. As a result of Vimy Ridge, it is said, Canada came into its own as a nation, not just as another adjunct of the British Empire. It is perhaps said that our passage into national maturity had to be a bloody one, but there's no denying the crucial significance of Vimy Ridge in melding Canada into a country.

Yesterday there were ceremonies across the country honouring the soldiers who fought at Vimy Ridge, only a handful of whom are still alive today. I'm proud to stand in this Assembly and make this statement because my grandfather was there, as was the grandfather of the member from Regina Coronation Park.

Eighty-three years ago is a long time, but we must remember our historic achievements. And I'm proud to do so today. Thank you, Mr. Speaker.

65th Anniversary of the Head Office of the Ukrainian Museum of Canada

Mr. Kowalsky: — Mr. Speaker, I had the pleasure this weekend of attending a 65th anniversary. It was the anniversary of the head office of the Ukrainian Museum of Canada. And, Mr. Speaker, the head office is actually in Saskatoon, and we were very pleased to welcome people from other parts of the Canadian hinterland like Toronto and Edmonton to come to this event.

Mr. Speaker, I want to congratulate the sponsors and the founders of the Ukrainian Museum of Canada because they have done some work which all people of Ukrainian heritage

are very proud, and something that reminds us of the trials and tribulations that our grandparents went through.

And, Mr. Speaker, it was a special joy to see Luba Goy there because I took a lesson from her at how to impersonate Pamela Wallin so that I too could join the Air Farce.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Provincial Sales Tax on Used Vehicles

Mr. Hermanson: — Thank you, Mr. Speaker. My questions are for the Minister of Finance. Mr. Speaker, last week the official opposition took the minister up on his challenge. We uncovered hidden fees and secret tax grabs of all kinds and shapes within the NDP (New Democratic Party) budget.

And we have some more questions today, Mr. Speaker, specifically on the rules of charging the PST (provincial sales tax) on used vehicles. Mr. Minister, here's my question. A grandfather wants to give his used vehicle as a gift to his grandson who will be going off to university. The vehicle's red book value is \$8,000 but no money will change hands. It is a straight gift. When the young man registers the vehicle in his name, will he have to pay the PST on the book value of that vehicle?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, I firstly want to point out that there are some situations where family transfers of vehicles are exempt from the PST. And I don't have a copy of the bulletin in front of me but I'll be pleased to clarify that with the member. But I want to say to the member that when the book value is applied with respect to the sale of a used vehicle, the book value is applied with respect to the wholesale value not the retail value.

And it won't be very often that a vehicle is purchased at less than the wholesale value; and when it is, Mr. Speaker, it has been the practice of SGI for many years, having nothing to do with this recent budget, to charge tax on the basis of the wholesale value when the PST has not previously been paid on the used vehicle.

That is nothing new, Mr. Speaker. And I might add that the Canadian Automobile Association said on Friday, and the member will be aware, that this is the only appropriate way to calculate value in instances where the tax needs to be paid, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Thank, Mr. Speaker. Mr. Speaker, the NDP policy on taxing used cars is fundamentally flawed. People of Saskatchewan are having to pay tax on money that they don't even spend. Only the NDP could find a way to tax nothing.

Mr. Speaker, the independent auto dealers association is also very concerned about the used car tax policy. There are

approximately 550 licensed used car dealers in Saskatchewan. These businesses are now at a disadvantage due to the \$3,000 tax free exemption on private sales of used vehicles. They believe this unfair policy will create an underground market and drive many of their members out of business.

Mr. Minister, will you extend the \$3,000 tax exemption to auto dealers who are selling used vehicles?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, the opposition is trying to play both sides of the street here and I'll tell you why. Because what they will not say in this House, Mr. Speaker, is that both the Saskatchewan Automobile Dealers' Association and the Saskatchewan independent auto dealers association have both come out in support of the PST on used cars . . .

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — And the reason for that, Mr. Speaker, is that in many instances — and I have many letters supporting it, Mr. Speaker — in many instances there is a considerable saving for the consumer. For example, Mr. Colin Gaudry of CAPITAL PONTIAC BUICK in Regina says — this is on CKRM: when a person is trading in a vehicle they only pay the PST on the difference rather than the entire purchase price of the vehicle, which of course that applies to all new vehicles, and also nowadays because of leasing, a majority of used vehicles because the PST hasn't been previously paid.

Mr. Speaker, it's a tax saving . . .

The Speaker: — Order.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Mr. Speaker, I would remind the Minister of Finance that the independent auto dealers are listening to his answer and I don't believe they agree with the minister who did not consult with them in any way, shape or form. And in fact, these dealers were caught off guard when you delivered your budget. Those 550 dealers have a combined tax-paid inventory on their lots of — now get this — \$300 million. These dealers stand to lose millions of dollars on this inventory due to your short-sighted tax policy.

Mr. Minister, you could have given them until July 1 to clear out their existing inventory. Or you could have given them some notice so they could make business adjustments but instead you chose to ram the PST expansion through.

Mr. Minister, will you consider negotiating an input tax credit for used car dealers or at least grandfather their existing tax-paid inventory?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, in answer to the member's first question about the gift to a relative, I can confirm that this would not be taxable. First-degree relative is considered to be a spouse, a parent, step-parent, child, step-child, grandparent and step-grandparent. And in none of those cases is tax payable, Mr.

Speaker. So I say to the Leader of the Opposition, get your facts straight before you raise these questions in the House.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — But I want to say something else, Mr. Speaker. When the Leader of the Opposition stands up and says there should be no \$3,000 deductible on used car sales, he's calling for a tax increase to consumers not a tax decrease, Mr. Speaker. He's calling for a tax increase, so he'd better get his numbers straight, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Mr. Speaker, the minister quite, I think possibly on purpose, avoided answering my question. These dealers have a combined tax-paid inventory of \$300 million on their lot and they have to pay that because they were given no prior warning of what was coming in your budget.

I asked you, Mr. Minister, if you would make some adjustments, give them some time to clear out this inventory, or give them an input tax credit so that they can deal with this unexpected cost to their business.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, the member wants to get up in this House and suggest that in representing the dealers he's on the side of the consumer because he's implying the dealers are opposed to PST on used cars. Mr. Speaker, nothing could be further from the truth. Both automobile dealer associations in this province have indicated to me that they support the PST on used cars because it will save the consumer money, Mr. Speaker.

The Leader of the Opposition is not talking about saving the consumer money, Mr. Speaker; he's talking about the profit margin of the car dealer. He's talking about, Mr. Speaker, a tax increase to consumers — that's what he's talking about, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Hermanson: — Mr. Speaker, there are 550 businesses in Saskatchewan that are at risk because they were caught by this budget with inventory and tax paid that they now have to pay again, Mr. Speaker. They are expected to eat millions of dollars . . .

The Speaker: — Order. Order. Order, please. I'm not sitting that far away from the Leader of the Opposition and I can hardly hear him. Please, order.

Mr. Hermanson: — Mr. Speaker, I'm asking the Minister of Finance if he will answer my question. Will he make provision for these 550 important businesses in Saskatchewan so that they will not be caught with this tax grab in this budget because they weren't warned that they would have to eat the sales tax that they've already paid on these vehicles — some \$300 million in inventory. Will he at least do that for these 550 businesses?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, the new system is supported by both automobile dealer associations in Saskatchewan because it involves a tax on difference, Mr. Speaker, which is good for the consumer.

The Leader of the Opposition, when he comes into this House and says that there should be no \$3,000 deductible on used car sales for private sales, is advocating, Mr. Speaker, that consumers should pay more tax, Mr. Speaker.

He's come into this House the last number of days saying that there's a tax on ordinary people because of the expanded PST. Now he says the PST should be expanded further, Mr. Speaker, so I'd like to know, whose side is he really on, Mr. Speaker? And I think we see by the questions here today.

Some Hon. Members: Hear, hear!

Regional Parks

Mr. Kwiatkowski: — Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Finance as well.

Mr. Minister, the Saskatchewan Regional Parks Association is very concerned about the lack of a long-term commitment in your budget. They say that your budget does not live up to statements made by your government over the last year, and now they are being forced to consider a number of difficult measures, including the closure of some regional parks. You received a letter last week outlining these concerns.

Mr. Minister, what steps have you taken to address the serious concerns raised by the Saskatchewan Regional Parks Association?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — I'll advise the member in the House, Mr. Speaker, that I met with the Saskatchewan Regional Parks Association some time ago. And one of their — they had several concerns actually — but one of their concerns was the need to improve capital infrastructure in the parks. And what I did in the budget — which was delivered on March 29 — was, among other things, to create a \$5 million fund per year for four years to improve infrastructure in parks and heritage sites.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — I received a letter on Friday, Mr. Speaker, and I have already communicated to the president of the regional parks association that I would be pleased to meet with him and his colleagues to discuss how they might access some of that money, and that's what we should do. And I invited them, Mr. Speaker, to join with us in a positive and proactive way to try to resolve some of the issues that are outstanding. And I invite the member to be proactive and positive as well.

Some Hon. Members: Hear, hear!

Mr. Kwiatkowski: — Well, Mr. Minister, the response that they got from you at about 2 p.m. last Friday afternoon was not the response that you just indicated and the one that they were looking for.

The minister phoned the association's executive director Rick Gardiner. At first, Mr. Gardiner thought the minister was calling to discuss the concerns outlined in his letter. Instead, the minister proceeded to blast Mr. Gardiner for even sending a letter in the first place. He demanded an apology. He called Mr. Gardiner rude. He told him to clean up his act. And he said he was giving his board bad advice. In short, Mr. Minister, you tried to bully and intimidate Mr. Gardiner into changing his position outlined in the letter.

Mr. Minister, the person who should apologize is you. Mr. Minister, will you apologize to Mr. Gardiner and his association for your confrontational and inappropriate phone call?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, I will invite Mr. Gardiner to release the letter that he sent to the Minister of the Environment to the media, and people can be their own judges as to the tone of the letter.

But I want to say to the member opposite that I had a very pleasant conversation with the president of the association at approximately 9:30 p.m. on Friday evening, Mr. Gillis MacDonald, where I indicated to Mr. MacDonald that we needed to have a positive and proactive approach, that I did not think the letter from Mr. Gardiner indicated that.

And I invited Mr. MacDonald to, notwithstanding the tone of the letter, sit down with us and develop a criteria whereby we could assist the regional parks to get on with the job of finding some funds for needed capital infrastructure improvements.

I invited Mr. MacDonald to do that. He's here. He is confirming that; he can confirm that. It was a perfectly pleasant conversation, and we're going to do it, Mr. Speaker. We're not going to play politics like the member over there.

Some Hon. Members: Hear, hear!

The Speaker: — Order. Order.

Mr. Kwiatkowski: — Mr. Speaker, for nine years now this NDP government has bullied and intimidated anyone who disagreed with them. Well it's not working any more. You can only push people so far before they start to push back. Saskatchewan people have had it with this budget, they've had it with this minister, and they've had it with this government — and they're not going to take it any more.

Mr. Speaker, when people finally stand up to the schoolyard bully, he usually winds up getting the beating of his life. That's exactly what the NDP is headed for in the next election.

Mr. Minister, your call to the regional parks association was completely inappropriate. Will you apologize to Mr. Gardiner and his association?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, I repeat to the member opposite in the House that Mr. Gardiner can release his letter to the media. I suggested to Mr. Gardiner that his letter was

somewhat threatening to the Minister of the Environment and I thought did not display a positive or proactive tone. I then indicated I would take the matter up with the president of the association.

I had a very cordial conversation with the president of the association; there was no problem whatsoever. And we agreed, contrary to the member's tone, that the association should sit down with us, talk about the criteria for the capital fund that has been created, and we should get on with the job of repairing some of the infrastructure in the regional parks.

Now what is this about? Is it about actually helping the regional parks association — is that what this is about? Or is it about the member playing politics in this House, Mr. Speaker?

I say let's get on with the job of working on the infrastructure in a positive way, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Kwiatkowski: — Thank you, Mr. Speaker. My next question is for the Premier.

These are not the facts as they have been relayed to us by the Saskatchewan Regional Parks Association. And I have no idea who it is that the minister thinks he was speaking to.

But, Mr. Premier, obviously your Finance minister is completely out of control here. First he raises taxes and tries to pass it off as a tax cut. Then he tries to hide dozens of fee increases and back-door taxes in his budget. Then when he gets caught, he says it's not his job to tell the people what's in the budget, it's the opposition's job.

Then instead of conducting an independent review to decide if fee hikes are fair, he says we should go to court. And now the regional parks association writes a letter raising legitimate concerns about the budget; he phones up their executive director and tries to bully him into retracting his letter.

Mr. Premier, this budget is a disaster, this minister is a disaster. Will you tell your minister to apologize to the regional parks association?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, I just want to say to the member opposite and to the House that I find it extremely hypocritical for the members opposite to get up and talk about anybody talking about going to court, because on Thursday of last week, the Leader of the Opposition said that he was going to get up and take the taxpayers and the public and the government to court over certain disagreements about fees.

I said to the Leader of the Opposition on Thursday that if he had any problem whatsoever with our fees and charges, he should do his job and bring it up in the legislature — that's what I said.

Mr. Speaker, it was the Leader of the Opposition that is talking about going to court — not me and not this government. And as far as we're concerned, parliament should be respected, the legislature should be respected; and let's resolve our differences

on the floor of the legislature, not in the courts, Mr. Speaker.

Some Hon. Members: Hear, hear!

Municipal Amalgamation

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, my question's for the Minister of Municipal Government . . .

The Speaker: — Order, order, order.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Speaker, my question's for the Minister of Municipal Government. Mr. Minister, the task force on municipal amalgamation is meeting in Yorkton tonight and we understand it's going to be a full house. But some of us are a little concerned about your travel plans. You see there's talk that you plan to boycott your own meeting, Mr. Minister.

Well, Mr. Minister, the official opposition wants to make sure there's no reason for you to miss tonight's meeting. I'm heading out to Yorkton right after question period and there's lots of room in my car. You're welcome to jump in with me.

Will you confirm for the people back home — in Yorkton, in your constituency — that you'll be in Yorkton tonight? Mr. Minister, are you planning to attend tonight's task force meeting in Yorkton.

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Thank you, very much Mr. Speaker. Mr. Speaker, I want to, first of all, thank the member for the opportunity for the trip to Yorkton, but I've seen the kind of trip that this member's been on and I'm not sure I want to be part of that.

I want to say to the member opposite, Mr. Speaker, that Mr. Garcea and his committee are travelling the province and this is now their second week of consultations. In their first week of consultations, Mr. Speaker, I had staff available at all of those meetings. And this week, when they're consulting across the province, I'm going to have staff there at those meetings as well.

Mr. Speaker, this is an opportunity for the committee to hear the public's view. This is a non-partisan opportunity for the public to speak about a consultation process that was established in this province for us to get a better appreciation of where we should be going with legislative reform in this province, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Well I can see why the minister would have reservations about going out to Yorkton even though it's his own constituency; I think he knows the reception that he'd get tonight if he did show up.

Mr. Speaker, another question for the same minister. Mr. Minister, you've probably been briefed in what's been happening at the task force meetings. But I can summarize for you — people across Saskatchewan are strongly opposed to

forced municipal amalgamation by your NDP government.

Mr. Minister, will you commit in the legislature today, and at tonight's meeting in Yorkton, that your government will not introduce legislation in this session that forces municipalities to amalgamate? Will you make that commitment today, Mr. Minister?

Hon. Mr. Serby: — Mr. Speaker, I'm very, very . . . actually amazed by the question that the member asks. Because the member first says that what should happen in this province is that you should have a group of men and women who should go out and consult about what the future of municipal reform should be in this province.

And so that's what Mr. Garcea and his committee are doing — they're out there consulting. And they're a committee, Mr. Speaker, that has been assembled by the government. And they're out there doing the consultations.

Now the member opposite says I should go to the meeting and I should sit down and I should make a presentation to the committee on what the government expects should happen with municipal reform. Why would the government do that, Mr. Speaker, when in fact, we're asking the people of Saskatchewan to direct us what we should do in this province with municipal reform.

It's a foolish kind of request for me to be a part of that — the government consulting with itself, Mr. Speaker. How can that be?

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Well, Mr. Speaker, this minister doesn't realize that consultation works two ways. The task force has consultation with the public, but the public should have input back. This task force is on its second trip around the province but is making no attempt to listen to what people are saying.

Mr. Speaker, next week Saskatchewan's rural municipalities are holding an emergency convention. It's on forced amalgamation. They feel it's that important.

But, Mr. Speaker, some municipalities are also asking us about a NDP plan to freeze municipal reserve funds. Is that true, Mr. Minister? Are you and your government about to freeze these reserves that municipalities have built up in the province?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — Mr. Speaker, last week on Friday I stood before the member in the House and provided for him some information of four different reports that are done in this province, Mr. Speaker, about what we should be doing in terms of restructuring and reform in this province and giving municipalities greater responsibility.

Well, Mr. Speaker, I now have a fifth report. It was done in 1992, and it says something like this. It says changes are inevitable. Urban municipalities must provide leadership. Then it goes on to say, this report is not merely a call for discussion,

it's a call for action. And then it goes on to say this, Mr. Speaker. It is vital that this process begin immediately, in 1992. Too often when important changes are made necessary, people wait for the perfect moment to begin — when they have enough money, when they have completed an agreement, or when they are certain they have all of the answers. All of these conditions, this writer says, will never exist. And who wrote this? Mr. Reg Downs is a party to writing that one. It was your chief of staff

...

The Speaker: — Order, order.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Order. Order.

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Minister, the question was short and should be easy to answer — yes or no. Is this NDP government planning to freeze municipal reserve funds?

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — I just want to say to the member opposite in the House. This government has always said that there is a process in place today to review and study what will happen with municipal reform in the province. That's our commitment, that's been the Premier's commitment, that's this government's commitment, and we're going to continue to honour his commitment in spite of all of the documentation that has been provided to us — by even good learned people on your side of the House. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Bjornerud: — Thank you, Mr. Speaker. Mr. Minister, you'll forgive the people of Saskatchewan if they don't trust your NDP government. This same NDP government that amalgamated the hospital boards and then confiscated their reserve funds by the millions of dollars.

Mr. Minister, those hospital board reserves were raised locally through family gifts and community charities, but that didn't stop the NDP from confiscating that money. Now municipalities are facing the same thing. An NDP government that's going to force amalgamation and then take municipal reserve funds.

Mr. Minister, will you stand in the House today and make a clear statement that your government will not now, or in the future, confiscate the reserve funds of Saskatchewan municipalities.

Some Hon. Members: Hear, hear!

Hon. Mr. Serby: — I think what's important here is that, as Mr. Garcea and his community have been doing their work, the Saskatchewan Party has been travelling across the province in small little pockets and also having their own discussions about what's going to happen in Saskatchewan today.

And they talk about, Mr. Speaker, communities not having an identity. And they talk about communities losing their

resources. And they talk about communities not being able to provide any leadership. And what they're doing, Mr. Speaker, is they're out there scaring and dividing people in the way in which the Saskatchewan Party knows how to do.

And so I say to the member opposite, tell us what your plan is. Tell us what your plan is about municipal reform.

Some Hon. Members: Hear, hear!

The Speaker: — Order, order. Hon. members, please, order, please. Order. The Table officers are calling out Bills, Introduction of Bills, and with all the noise going on, I'm sure members aren't able to hear what Bills are being called. Please call the Bills once more.

INTRODUCTION OF BILLS

Bill No. 22 - The Local Improvements Amendment Act, 2000

Hon. Mr. Serby: — Mr. Speaker, I move that Bill No. 22, The Local Improvements Amendment Act, 2000 be introduced and read the first time.

Motion agreed to, the Bill read a first time and ordered to be read a second time at the next sitting.

Bill No. 23 — The Planning and Development Amendment Act, 2000

Hon. Mr. Serby: — Mr. Speaker, I move that Bill No. 23, The Planning and Development Amendment Act, 2000 be introduced and read the first time.

Motion agreed to, the Bill read a first time and ordered to be read a second time at the next sitting.

ORDERS OF THE DAY

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 17 — The Child Care Amendment Act, 2000

Hon. Mr. Van Mulligen: — Mr. Speaker, I am pleased to rise today to move second reading of The Child Care Amendment Act, 2000.

We often hear it said that our children represent our hope for the future. Research leaves little doubt that the quality of care we provide for our youngest children today will have a significant impact upon the quality of that future both for them and for us.

Every day thousands of children in this province are cared for outside of their own homes by people other than their parents. This alternate care may be provided in the home of the caregiver or in a child care centre. As the government we believe we have a responsibility to do all that we can to ensure the safety and well-being of all these children while meeting the needs of their parents for reliable, affordable child care.

For some time we have heard concerns expressed over the lack of child care, particularly in rural areas. Often child care is needed while parents work at part-time or full-time jobs.

For others, the absence of quality child care during peak periods on the farm such as seeding and harvest time means trying to balance child care and supervision with the demands of the farming season. As we're all aware, despite the very best efforts of the most devoted and loving parents, this balancing act can lead to significant safety concerns both for children and adults.

Rural families tell us there is often no child care available within a reasonable driving distance because most of those willing to care for children also live on farms which may be many miles away. Although they may have a second home in the nearest town, they cannot operate from that home because the Act, as it currently exists, states that a family child care home must be operated out of the operator's principal residence only.

To respond to these concerns, Mr. Speaker, we propose to amend The Child Care Act to permit individuals to provide family child care in residential settings other than their principal residence. This would provide the family child care home operator with the option of providing child care from a location which is more convenient for those who need the service.

Another issue for many communities involves their inability to sustain year-round, centre-based child care either because of the seasonal or part-time needs or because of smaller child population bases. At the same time traditional family child care homes for eight or fewer children cannot accommodate larger families and flexible needs.

While two local individuals might like to jointly provide child care for more than eight children, they have unfortunately been prohibited from doing so by the Act because such a service does not fall within the existing definitions of either a child care centre or a family child care home.

In 1995-96 funding was provided to pilot child care programs in rural and northern communities which may not be able to sustain year-round, centre-based child base. One model which emerged was group family child care, a model which allows an individual to be licensed to care for up to 12 children provided there is a second adult caregiver when there are more than eight children present.

This new model can be, at times, superior to the traditional family child care model in that there may be fewer children in the care of one caregiver, providing for closer supervision and greater interaction between child and caregiver. Parents like this model and said they felt more secure knowing there were two adults caring for and available to their children.

As a result of its success as a pilot, Mr. Speaker, we propose to amend the Act to allow for the operation of group family child care homes for up to 12 children with two caregivers. To ensure the safety and well-being of children attending group family child care homes and because of the higher number of children who may be enrolled, all group family child care homes, unlike family child care homes, must be licensed.

To further protect our children, Mr. Speaker, we will amend The Child Care Act to clarify and strengthen the legislation governing the number of children who can be cared for in family child care homes.

We will continue to enforce the limit of eight children with further limits by age in family child care homes whether licensed or unlicensed. While there are some who may feel there should be no limit on the number of children a family child care home can accept, I think we have to keep in mind that the safety and well-being of the children must be our first priority. The ability of a caregiver to evacuate children in the case of a fire, for example, is of primary importance.

(1430)

Realistically, Mr. Speaker, young children require a great deal of individual care and attention. Even the most capable, loving, and responsible caregiver would find it trying at times to care for, supervise, and ensure the safety of more than eight young children of varying ages.

In addition to those I have described, we are proposing several minor amendments which are of a housekeeping nature and which do not change the policy direction of the Act.

We believe, Mr. Speaker, that the amendments to The Child Care Act will help to address the child care difficulties experienced by rural families. They represent as well one small step towards ensuring the safety and well-being of every child who spends time in a licensed or unlicensed child care facility whether it be a family child care home, a group family child care home, or a child care centre.

Mr. Speaker, I move second reading of The Child Care Amendment Act, 2000.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, Mr. Minister, this is a important piece of legislation that requires careful study to determine certainly the intent and direction of the legislation.

The minister will know that in urban areas there is largely good and very adequate child care facilities.

In rural parts of the province it's a little more challenging to say the least and I know of numerous situations in my constituency where people have difficulty both in terms of finding care and finding care that can provide them and meet their needs as parents as well.

And I'm sure the minister is aware of some of the circumstances that surround these types of facilities — concerns about part-time employees being able to, on very, very short notice, go into work; but also to be able to find a caregiver that is able to look after their child or children in a very short period of time. And that's the challenge, Mr. Minister, that we have to meet in terms of this piece of legislation.

While we certainly understand and agree with the general direction that you're going here, there's also concerns about

whether or not, as I say, a part-time employee who may be called in on a few hours notice is able to find adequate care for their children in that very short period of time.

And it's not only the parent in this, and the child in this circumstance, there's also the caregiver themselves trying to schedule additional help to come in to maintain the ratio of, I believe it's 8:1 — one caregiver for every eight children in the facility. So there's certainly a great deal of thought that must be given to this piece of legislation before we see that it moves forward.

In basic principle, we have not that many disagreements here in this legislation. But we want to have an opportunity certainly to speak to the minister and speak to the department, as well as caregivers and parents around Saskatchewan about the circumstances that they are faced with, with respect to this type of legislation.

So, in order to facilitate the opportunity to speak with those people across the province, and with the department as well as the minister further on it, Mr. Speaker, I would move that we adjourn debate on this piece of legislation.

Debate adjourned.

**Bill No. 18 — The Public Employees Pension Plan
Amendment Act, 2000**

Hon. Mr. Cline: — Thank you, Mr. Speaker. I rise today to move second reading of The Public Employees Pension Plan Amendment Act, 2000.

Mr. Speaker, there are 34,671 people with account balances totalling \$2.17 billion in the Public Employees Pension Plan as at March 31, 2000, and 98 participating employers.

Benefits Canada has reported that the Public Employees Pension Plan is the largest defined contribution plan in Canada. That's actually quite amazing, Mr. Speaker.

The larger employers with employees participating in the plan are the Government of Saskatchewan, SaskTel, and SaskPower. The proposed Bill allows members to transfer their pension assets from their previous employer's pension plan to the Public Employees Pension Plan through a portability agreement. The transfer option is only available to members who are changing employers and pension plans and are seeking to move their asset from another pension plan.

At present, a reciprocal agreement is the only means available for transferring the member's pension money and pensionable service. Effective April 1, 2003, employers will be required to remit employee and employer contributions to the pension plan within 15 days of the member's date of pay.

The earlier remittance of contributions allows members to earn investment returns on contributions sooner rather than later. At present, employers are required to remit contributions within 15 days after the month for which the contributions pertain. However, most participating employers currently adhere to the new standard.

The Bill, as proposed, vests members upon the earlier of one year of membership in the plan or two years of employment with the participating employer. Once vested, members are entitled to any contributions made by the employer on the member's behalf.

Upon the passing of this Bill, members can withdraw voluntary contributions made after January 1, 2001, within one year of termination of employment. The money can be taken as cash or moved to a registered retirement savings bond. Money received from a locked-in retirement account, a life income fund, or a locked-in retirement income fund must remain locked in for transfer purposes. This enhancement provides members with more flexibility regarding their voluntary contributions. After one year, the voluntary contributions revert to their locked-in status to protect the member's money for retirement purposes.

One of the goals of the Public Employees Pension Plan, Mr. Speaker, is to offer members as much flexibility as possible with respect to their pension asset in accordance with governing legislation. Upon the approval of this Bill, the retirement age for members will be reduced from age 55 to age 50. This benefit provides members with more flexibility for retirement planning. It may also mean a lower pension, of course, Mr. Speaker, and since it's a defined contribution plan it does not mean more cost to the public treasury.

Mr. Speaker, I'll address the major amendments proposed to the Public Employees Pension Plan Act. Amendments of a housekeeping nature are also included in the Bill. All proposals, however, allow the plan to provide improved benefits while adhering to the scope and intent of other governing legislation. Mr. Speaker, I move second reading of an Act to amend The Public Employees Pension Plan Act, 2000.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. The Finance minister certainly moves an important piece of legislation forward and we've had opportunity over the last months and indeed, years, to talk to public service employees about their concerns in this area of portability when it comes to their pensions.

As we know, in modern society today, Mr. Speaker, people are moving employment around . . . moving as employees around to various different operations and in government and outside of government. And, as a society we are doing everything we can I think to encourage people to take their future in their hands and certainly be responsible in terms of their pensions and the direction of that. We're not so confident that we will see pension plans from the province . . . well, not the province but the state, eventually in place. So there is certainly a degree of importance in what is happening here.

In order to have opportunity to continue the dialogue and continue the discussion with members of the public service, we would want to take some time to look at this Bill in its entirety and certainly speak with them to see if there is further concerns and whether this piece of legislation meets the needs of people that are in this type of circumstance of looking for portability in their pension.

So, Mr. Speaker, I would move that we adjourn Bill No. 18 to

facilitate that discussion.

Debate adjourned.

**Bill No. 14 — The Film Employment Tax Credit
Amendment Act, 2000**

Hon. Mr. Serby: — Thank you very much, Mr. Speaker. Bill No. 14 amends The Film Employment Tax Credit Act of 1998. After the implementation of the film employment tax credit, the film and video community made representation to the Department of Municipal Affairs, Culture and Housing, identifying areas of concern in The Film Employment Tax Credit Act.

Department officials reviewed these items and concurred that changes needed to be made. The Film Employment Tax Credit Amendment Act, 2000 proceeds the following amendments:

Change the audit provisions of the Act to allow small producers under 200,000 the option of providing an affidavit, and medium-sized productions under 500,000 the option of providing a review engagement instead of a complete audited financial statement . . . a complete audit statement.

Secondly, add the Canadian Broadcasting Corporation, CBC, and the National Film Board to the list of organizations whose financial assistance is excluded from the definition of government assistance.

Thirdly, revise the declaration of residency requirements which eliminate the need for witnessing by a Commissioner for Oaths, notary public, or Justice of the Peace, and establish a minimum salary paid, under each a declaration of residency would not be required.

And fourthly, change the Canada television and cable production fund to its new name which is the Canadian television fund.

Mr. Speaker, the introduction of The Film Employment Tax Credit Act of 1998 has greatly contributed to the growth of the film-video industry in Saskatchewan. In 1997 the film and video productions in Saskatchewan was 26 million, and in 1998 with the implementation of the film employment tax credit, film and video productions increased to 58 million.

This not only contributed to the economic growth of the province, but created employment in the industry which continues to contribute to the cultural expressions of our province.

With this growth in the industry, many production companies are now also developing and producing larger and more expensive drama projects, often in co-operation with other Canadian and international companies through production agreements. This evolution is positive from both the corporate and cultural perspective as it enables the development of crew and personnel resources, strengthens the companies, and helps to establish Saskatchewan's presence on the national and international marketplace.

The film employment tax credit will continue to enhance the

strengths of the film and video industry in its ongoing growth and development in the industry, establishing production volumes that could reach a hundred million dollars in the next few years. As well, at this productive level, the industry would generate over 1,000 person-years in direct employment and almost 3,000 people-years of direct and indirect employment.

We recognize that the film employment tax credit has been, and will continue to be, a critical element in the film and video industry infrastructure. And we want to congratulate the industry on its growth and success.

And, Mr. Speaker, I want to move the second reading of Bill No. 14, An Act to amend The Film Employment Tax Credit Act.

Some Hon. Members: Hear, hear!

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, to you and to the minister opposite, certainly this is again another piece of legislation that requires some in-depth discussion and certainly an opportunity to speak with the stakeholders to determine whether they feel that this Bill meets their needs as well.

The film industry is growing in Saskatchewan and also it's growing very much so in its importance to our economy in this province. I'm encouraged when I hear the minister say that the growth from \$28 million to 58 million in a one-year period, it certainly, I think, is a great step forward for the industry here in Saskatchewan, that we are looking forward to seeing further growth in the future.

I've had occasion over the last number of years to attend a few of their productions and found them to be . . . the quality of production to be indeed first rate. And all, I think, in the Assembly would be very proud of the work the industry is doing here in this province, and the expansion I think speaks to the need and also to the opportunity that the industry has for growth in the province now and well into the future.

So it certainly is — from our side and from our perspective — an important industry and growth opportunity for a business and business activity as well as indeed growth for the arts community in our province.

(1445)

And, Mr. Speaker, in order to have opportunity to speak with members of the general public about the importance of the industry and of this piece of legislation, we'd want to take the adequate time to go through the legislation and determine whether it meets the needs of everyone involved.

So, Mr. Speaker, I would move that we adjourn Bill No. 14 at this time.

Debate adjourned.

ADJOURNED DEBATES

SECOND READINGS

Bill No. 3

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Crofford that **Bill No. 3 — The Health Labour Relations Reorganization Amendment Act, 1999** be now read a second time.

Mr. Gantefer: — Thank you, Mr. Speaker. Mr. Speaker, it's with great pleasure that I rise to participate in the debate about The Health Labour Relations Reorganization Amendment Act, 1999.

Mr. Speaker, as the House is no doubt aware, this legislation really in essence is an extension of the legislation that was passed in 1996, and it really extended the provisions that were implemented in the Act in 1996 as a result of the Dorsey commission in health care reorganization.

In the Dorsey commission report and the legislation that followed, there was a major reorganization in the bargaining units in the health care field where there was, I believe, I recall something over 500 individual bargaining units, and the Dorsey recommendation process suggested that there would be better labour harmony in the health care workplace if these units were reduced in number.

Mr. Speaker, since that time we have certainly seen anything but peace in the health care labour force. Mr. Speaker, it certainly is fair to say that the government has, in an attempt to bring a peace in the health care working field, in many instances has alienated those very workers. And because the government has done that, the improvements that were envisaged by the Dorsey commission are pretty hard to understand as really becoming reality.

Mr. Speaker, one of the problems that this government has with their workers in the health care field is the fact that they simply do not understand what stresses and what pressures are occurring on the front-line worker front. And so, Mr. Speaker, I would like to review some of these issues.

And certainly the issues were brought to a boiling point last year when the Saskatchewan Union of Nurses engaged in a strike in an attempt to improve the conditions in the workplace, in attempt to make sure that the issues of recruitment and retention were going to be sufficiently addressed. And everyone in this province will remember how absolutely convinced the nurses are that these issues are fundamentally important to improvements in the health care delivery system in Saskatchewan.

Mr. Speaker, it sort of strikes me as bizarre is that in many instances where this government seems to lose track of the connection between what's happening in the workplace in health care and what some theoretical model should be as proposed by Dorsey. Mr. Speaker, what happens in many instances is there simply is no understanding at all of what front-line care workers are attempting to struggle with day after day as they struggle to provide first-rate services in a system that is entirely under pressure and in many instances badly underfunded.

Mr. Speaker, one of the things that is an everyday occurrence

for front-line health care workers is the issue of overtime. We are certainly . . . we have certainly come to realize that we are short of qualified front-line care workers. And it really was a bit of a concern that we had earlier on this year, when the government solution to that was going to be to simply override the requirements for entry-level nurses in their field and simply say to the Saskatchewan Registered Nurses' Association what standards you and your members have decided were appropriate were renounced a decade ago are no longer going to be valid and we simply are going to override your responsibilities.

And I'm really pleased that the pressure that was brought to bear on the government resulted in an accommodation and a backing away from that position. And so the legitimate credentials and the responsibilities of the Saskatchewan Registered Nurses' Association were acknowledged and realized. And I think that it again is one of those examples of saying the government knows what's best, the government comes out with something that is an ill-thought out, ill-conceived idea for what the problems are in health care in the labour force, and then had to back away from the position when they realized it was simply untenable.

And too often, time and time again, these same kinds of arbitrary decisions are happening and it is not conducive to building a better workplace and building more harmony in the workplace. Recently as well we observed with, I think everyone with great deal of pain, to see the licensed practical nurses engaged in lawsuits against the Saskatchewan Union of Nurses and the registered nurses' association in order to deal with the issues of scope of practice.

And again it just indicates the level of frustration that is happening out in the health care workplace that these types of actions are felt to be the only recourse that an association has in redressing some of the outstanding issues that confront the workers in the front line in our health care system.

Mr. Speaker, one of the things that I think is important to recognize is all across this province every single day literally thousands of nurses and licensed practical nurses and front line care workers that belong to other bargaining units are working diligently, 8 and 12 hours a day, and sometimes into overtime, to try to provide the very best health care that they're capable of providing. They're the unsung heroes in the whole health care field that are toiling under some pretty adverse conditions, in many instances, to see that health care is delivered appropriately and effectively in a caring and a compassionate way.

And, Mr. Speaker, quite often what happens is that instead of the government assisting that process, in many instances they're part of the problem rather than being part of the solution.

Mr. Speaker, the recommendations in the Dorsey report that this is an extension of, were envisaged to be put into practice within a three-year period, and that three-year period essentially is expiring. And the purpose of this legislation is to extend the operational provisions of the Dorsey report and the 1996 legislation for a further three-year period of time.

In discussion with some of the people that are affected by this legislation, they are certainly understanding that it's too late — you can't put the genie back in the bottle, that you can't undo

what has been done three years ago — and they acknowledge that.

They also have though expressed a concern about the requirement that this should be doubled in length and that it should be taking so long to get these recommendations approved and passed.

Mr. Speaker, it is always of interest in this exercise that there always seems to be perceived that there's winner and losers. And certainly, by and large, we would hope that the winners in this kind of an exercise are the people of the province and the people that are affected by the changes that this legislation and the Dorsey report's provisions address.

But that still is sort of an ongoing question and it still . . . there are a lot of people that still express grave concerns about what is happening in a practical way in the health care field as compared to the theory that was announced.

Mr. Speaker, I guess that's what makes us so nervous when we hear of going from large numbers of units to a small number on basis of a theory. When you see what happens in practice, it doesn't meet expectations in many instances. And I think that the move towards amalgamation in health care and the bargaining units has not completely lived up to its billing. There has been some progress made, and I think that that is important, but much more work needs to be done. And this government has to take an attitude of being helpful rather than a hindrance.

Mr. Speaker, we still have a number of people that are calling us and contacting us about situations in the workplace that they want to bring to our attention. And we think that that process and dialogue and the opportunity to meet and discuss with these individuals what is actually happening in the workplace as a result of the 1996 legislation and is envisaged to be continued under this legislation, we think it's very important for health care workers to be able to have some time to continue to raise the concerns that they have about what's happening in the workplace with ourselves as the official opposition.

And so, Mr. Speaker, we know that this discussion has to be ongoing, and so at this time I would like to move adjournment on debate.

Debate adjourned.

Bill No. 4

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 4 — The Saskatchewan Pension Plan Amendment Act, 1999** be now read a second time.

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, the legislation surrounding changes to the Saskatchewan Pension Plan is certainly of great interest to the official opposition and I think of interest to people in Saskatchewan.

You may know, Mr. Speaker, that the Saskatchewan Pension Plan operates out of Kindersley. And so, it's certainly a valuable contributor to the economy in Kindersley and certainly provides an important service to the people of Saskatchewan.

It is a pension plan that has been in place for sometime. And it is the only pension plan, only tax-deferred pension plan, open to Saskatchewan residents that are not eligible for RRSP (Registered Retirement Savings Plan) contributions such as stay-at-home parents.

And in Saskatchewan, as we know, there are a large number of people in that type of a situation. And it certainly follows on the Minister of Finance's piece of legislation about the importance of pension contributions and the importance of having pensions and the portability of pensions.

Well, I would want to certainly bring to the attention of the Assembly that there are many people in Saskatchewan that this is the only opportunity they have to contribute to a pension plan. Otherwise they simply would be out of luck when it comes to operating and having the opportunity to contribute to a good strong pension plan in Saskatchewan. There is no other opportunity for them.

The Saskatchewan Pension Plan has some 30,000 members and about \$173 million invested into the plan. So it is a very, very large investment of Saskatchewan people in Saskatchewan, and indeed into their futures.

The minister has called within this piece of legislation very minor changes; at least he characterizes them as minor housekeeping in nature. He has not made specific changes that will not change the makeup of the Saskatchewan Pension Plan.

The plan continues to be a very popular savings tool for Saskatchewan residents and we certainly support that pension plan here in Saskatchewan.

The pension plan, however, was significantly harmed, I believe, by the government's actions a number of years ago when they took away the contribution from the province of Saskatchewan — the matching contribution. While we certainly understand the fiscal restraints within the province of Saskatchewan, I think it is also important to do everything we can to encourage people in the initial years of start-up contributions to making contributions to pension plans. And you know, the years seem to slip by for all of us, and I think many people that at age 25 or age 21 or something like that find themselves now 50 years old or more and wish they had of contributed to pensions over the years.

And so anything that a government or a society in general can do to encourage people to make contributions to a pension plan I think is important. And indeed it is important to the individual and society as a whole if a person . . . and I think people gain a certain amount of self-respect and self-esteem from the fact that they have been able to, on their own, make contributions to a pension plan and see it and watch it grow over the years.

The Saskatchewan Pension Plan has done just that — has grown very, very well and has been managed very efficiently for people involved in the plan. I'm told that the plan will return something in the neighbourhood of 10 per cent to people who have money invested over the last year. And that is, given the volatility of the markets these days, it's certainly is a very respectable rate of return for people here in Saskatchewan.

The changes here in this legislation appear to be administrative in nature. However, when there are changes in the legislation certainly there needs to be concern about the type of plan changes that the government is look at here.

They're talking about introducing a modest administration fee, and that's the key that we have some . . . we have concerns about administration fees or that type of thing being introduced into the plan.

(1500)

We also have a great deal, far more concern about this government's nature when it comes to the introduction of these, starting them out at a very modest amount — a very nominal fee almost — and then quickly rising to where they are a very big part of the administrative costs of operations of this type. And so there is concern in this instant when it comes to that.

And particularly we have to keep in mind, as I said, not everyone contributes to a company funded pension plan or a government funded pension plan. And if we are to look at people in that circumstance, quite often they are of lower-income people in Saskatchewan and there needs to be protection given to those people as well. After all, not everybody can work for the Government of Saskatchewan. I would remind members opposite of that fact.

The right to charge fees will be added in this legislation, given the government's . . . given the current controversy that's swirling around the government and its habit of reaping millions of dollars from service fees and its habit of upping the fees without letting anyone in this province know.

Certainly I can see why there is concern from pension plan holders here in Saskatchewan about this now being introduced for the Saskatchewan Pension Plan. We have many questions about the fee and we will want the minister, certainly when we get to Committee of Whole on this piece of legislation, we will want to question the minister about the fee, how it's going to be applied, and how much the fee will be.

And that's critically important. We want to know what the government's vision for the future is with respect to this pension plan. Is it something that they intend to have funded entirely by the pension plan members or is the government in the future going to contribute to the plan? And we'll certainly be asking the minister with respect to that when we reach Committee of Whole.

The people of this province have been and continue to be nicked and dined to death by the members opposite. In fact we have so many fees and structural charges built into these types of . . . many areas of this government, that people are beginning to wonder whether the government really has a handle on it. And I think that's why the need to review some of the charges and fees is important.

And I note that the Supreme Court of Canada in a recent judgment is saying that a service fee, if it is in excess of what that service actually costs to administer the service, is essentially improper and is a tax that would have to be brought before the legislatures all across Canada in order to gain

approval from the legislatures before we could go forward with it.

And we would hope that the minister isn't looking down that road rather than introducing a modest administration fee for the operations of the pension plan here in Saskatchewan.

This is a little bit of what the government has had problem with in the past, Mr. Speaker. And the editorial writers of this province are now referring to the ineptitude of the government opposite and how they've torpedoed their own budget essentially because of their less than forthrightness with the people of Saskatchewan about the budget. Less than forthcoming information, statements by the Minister of Finance that it's the official opposition's job to find and bring to the attention of people in Saskatchewan any fee changes, I don't think provides people with any great deal of optimism about the government coming forward in a straight forward manner on legislation of this type.

Another section of this amendment deals with the investment of these funds and we'll have some questions about the safeguard in place for the investors. There is over \$170 million invested in this plan and it's important that it be invested on behalf of Saskatchewan residents as prudently as possible.

Is this plan doing as well as it should be doing in Saskatchewan? Well that's a question that we will want to ask the minister responsible when we have the opportunity. And are the rules set up to the best advantage of investors even though the government no longer puts any money into the plan?

The rates of return, the historical, what kind of rates people can expect in the future from the plan? Is there plans of a similar nature that people could look at? Are people continuing to put their money into a plan at the similar rate as to what they once were put into . . . what people once put into the plan? And these are questions all, Mr. Speaker, that are important and we will want to explore with the members opposite and the government when we have opportunity.

Again, the heart of this Bill, we're going to have to have a real look at it and determine whether or not another fee for a government service is appropriate. Do people of Saskatchewan support the introduction of another service charge into areas like this?

So in order to facilitate that, Mr. Speaker, I think it's important that we continue the dialogue with people across Saskatchewan, Saskatchewan pension plan holders, as well as actuaries to see what their thoughts are on the plan and how it has been performing now and well into the future.

So in order to facilitate those questions, Mr. Speaker, I would move that we adjourn debate on this piece of legislation.

Debate adjourned.

Bill No. 7

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Hagel that **Bill No. 7 — The Student Assistance and Student Aid Fund Amendment Act, 1999** be

now read a second time.

Mr. Boyd: — Thank you, Mr. Speaker. Mr. Speaker, I'm pleased on behalf of the official opposition to speak to this piece of legislation. It's an important change to the student aid fund.

In the budget the government claimed that they were renewing their commitment to post-secondary education. Certainly we have concerns about their commitment and their so-called concern about secondary education in Saskatchewan.

One of the biggest obstacles that students face upon graduating from grade 12 is whether or not they want to further their education. And as parents certainly we do everything I'm sure to encourage our young people here in Saskatchewan to further their education, to provide opportunity and experience certainly for them into the future.

As we have seen throughout further scrutiny through this budget, the government has actually cancelled the program that has left many students without summer employment or the opportunity to rely on summer employment to help pay for their education. And I think many students across Saskatchewan are faced with that kind of difficulty.

I'm told that when you look for jobs in Saskatchewan these days, young people are finding a great deal of difficulty finding any kind of employment that might be helpful for them to provide an opportunity to work through the summer months and build up a little bit of a reserve to help as you go into the fall, either to help fund their education and help their parents pay for the cost of it, or to keep the cost . . . or keep the amount of student loan down that they would be requiring to further their studies next fall.

And I would want to talk to the government about their promise during the election campaign to pay for the first year student tuition. We will be certainly asking the ministers responsible for this legislation what happened to that commitment. Indeed we see pretty much a turnaround from the government from looking at paying, looking at providing a student tuition program and a bursary essentially to students, and now finding that the government is actually removing programs from students rather than enhancing programs as they promised during the election campaign.

And I see the Minister of Post-Secondary Education nodding his head there. We will be very interested in your comments with respect to this, sir, about your commitment during the election campaign. Even though it failed miserably in terms of vote-getting, it certainly speaks to your level of commitment to post-secondary education . . . (inaudible) . . . post-secondary education and the concerns about that.

And the member from Albert South is chirping from his seat. He was one of the ones that were promoting the plan — certainly promoting the plan.

The problem with the . . . (inaudible interjection) . . . Well it might be something that indeed could be looked at. And if we did look at it in the future, I would guarantee you, Mr. Member, that we would come forward with a more thoughtful plan, and a

more carefully addressed and thought-out plan than you guys came up with in the election campaign. And that's clearly why in the election campaign it was roundly booed to the extent that it was . . . (inaudible interjection) . . . Well you may think it was popular.

It wasn't very popular and the reasons were very simple — because it wasn't very well thought out, it wasn't something that many people thought was necessary. Or if they did believe it was necessary, they didn't believe it would be administered very well. They also looked at what second-, third-, fourth-year students were going to do. Well there was many, many, many holes in your plan during the election campaign, and it's no wonder that the people of Saskatchewan in the end rejected the plan and rejected the idea.

But I think the important consideration here, Mr. Member, is not just that you came forward with a plan, but now you've actually reduced support to post-secondary students in Saskatchewan rather than enhancing — even though it was a poor plan — attempting to enhance student employment or student opportunities for student loans or the like into the future.

Upon graduation from their chosen fields of study, students incur very, very significant debt loads in many cases from loans that they've received for their studies. The NDP did nothing to address this in this budget or in this legislation and that is of concern, I think, certainly to us and I think many people across Saskatchewan.

And when we look at opportunities in the field, many of them, first-year students and beyond that for that matter, Mr. Speaker, are having a great deal of difficulty finding employment in Saskatchewan for the summer. And any changes that there may have been to these types of program only make it more difficult, certainly aren't making it any more easy for the young people of this province.

And your commitment to education is a little bit lacking. Even though it may be there in spirit, it's certainly there isn't in deed. And all of the rhetoric from the opposite side isn't going to do anything to change that level of commitment unless you put it forward either in the budget or in sound legislative changes.

Another concern is what sort of job opportunities will there be for graduating students when they complete their studies here in Saskatchewan, and that's always been a difficulty for this province and it hasn't been turned, hasn't been turned, hasn't been turned around by the members opposite after 10 years of governing this province.

And yes, there are some opportunities — no question about it.

I was out in Calgary here a few weeks ago, Mr. Speaker, attending a dinner out there for the energy producers and had occasion to talk to six young students from Saskatchewan, all who had graduated from the U of S (University of Saskatchewan) with a Bachelor of Commerce. Incidentally, all of them are very close friends. All of them packed up and moved to Alberta. All of them now employed in the oil industry in Calgary. And I think that it was a real shame to see these six, young, bright faces from Saskatchewan — born and raised in

the province of Saskatchewan — packed up and left our province.

Yes, you may be able to point to some successes in terms of employment here in Saskatchewan recently but there are . . . we are still falling very, very short of what is needed to employ all of the students from our educational facilities here in this province. And that is something that we, all, as legislators should be very conscious of and be working towards changing.

One of our most . . . Some of our most brightest and youngest are leaving the province. And we've recently seen an announcement here in Saskatchewan, Mr. Speaker — you will know that the Canadian Bible College here in the city of Regina is leaving. And I'm told that it's some 500 students and about a hundred employees that are leaving the province of Saskatchewan, only to set up facilities and operations in Alberta. And I don't hear the members opposite talking about that a great deal and their concerns in that area.

Rather than just simply trumpeting your successes and standing in member statements every day and bringing the good news stories that are happening largely as a result of the activities of people outside of government mostly and in spite of the efforts of this government, they're not speaking about the problems that we are faced with or addressing some of those concerns.

(1515)

And we find it ironic when members opposite claim that they are not willing to mortgage our children's future when it is them who have managed to take away the scholarship money from students when they receive funding from the Canadian millennium scholarship fund. If you're truly, as you say, trying to do everything you can, why are you moving in the opposite direction when it comes to providing support for our young people here in the province?

It's not very difficult to comprehend about how this government can go on and on and on about investing in our future when they are doing everything possible to stifle students' productivity here in Saskatchewan.

So, Mr. Speaker, I've outlined some of the concerns that we have surrounding this piece of legislation. I'm sure there will be many more concerns about the legislation and questions that we will have about the legislation as this Bill proceeds through third reading and into committee.

But in order to facilitate the opportunity to speak with students and student leadership at various educational institutions in Saskatchewan, and to speak with students and parents in this province about our concerns in this area, we feel that we require and need more time in order to have those discussions.

So at this time, Mr. Speaker, I would move that we adjourn debate on Bill No. 7.

Debate adjourned.

Bill No. 10

The Assembly resumed the adjourned debate on the proposed

motion by the Hon. Ms. Atkinson that **Bill No. 10 — The Department of Health Amendment Act, 1999** be now read a second time.

Mr. Stewart: — Thank you, Mr. Speaker. As I understand the agreement currently in place, Mr. Speaker, if someone from another province comes to Saskatchewan and requires medical care, it's provided; and if someone from Saskatchewan requires treatment in another province, they will receive it, compensation for services later paid to that province or Territory. Measures of reimbursement are currently outlined in two Acts — The Saskatchewan Medical Care Insurance Act and The Saskatchewan Hospitalization Act.

The purpose of this Bill is to consolidate recovery methods into one Act — The Department of Health Act. It's proposed that where payments are received from other provinces, it is reported as a refund to the health budget, not as new revenue. This process also applies when insurance companies repay health costs as part of a liability claim. Name of the process is refund their vote.

A few comments on this. A reciprocity agreement is already in place, Mr. Speaker, and to our knowledge there have been few problems with this current agreement as to payments received from other provinces. Therefore we're wondering about the proposed amendment. If there's no significant change, what is the real purpose of the Bill?

Health care, Mr. Speaker, under this administration has received some serious blows. And I wonder if maybe some of these are more important to discuss than this Bill at hand. The Plains hospital was closed and \$50 million over budget; Regina Health District chief executive officer resigned claiming government interference led to the cost overrun. The nurses' strike, nurses legislated back to work.

When the NDP wellness model for health was introduced, the government laid off 600 nurses. Now there's a nursing shortage. The NDP were told about this a number of years ago and refused to address the issue — they were told by the Saskatchewan Registered Nurses' Association, among others.

The situation has now reached a critical point. We're now experience . . . Nurses now experience mandatory overtime. They're overworked, exhausted, sick days are up, exacerbating the problem further. There are serious issues of recruitment and retention. There doesn't seem to be any plan in place at all. What are the government's plans in these areas? Nobody knows. We just don't have a clue. What's in place now is not effective.

Nursing education in the province was given a shakeup when it was announced that the Health department was thinking of letting nurses opt out of a four-year degree program to become diploma nurses. This met with such resistance they had to withdraw the original plan.

This year there will only be 130 to 150 new grads from the four-year program. Total nurses trained in Canada will be . . . over the last 10 years has dropped from 10,000 a year to 5,000. Obviously there are less nurses to recruit in other parts of the country; it makes me wonder why we're not trying to train more

here. The cost of nursing education has risen substantially — I'll grant you that.

Rural areas suffer severe lack of physicians. Many of the small areas have no doctor at all. Some with one doctor. What incentive is there for a doctor to come here? What incentive for a doctor to stay? The pay in Saskatchewan is certainly no higher than any place else. In fact, it's on the low end of the scale.

They can't incorporate. The system's in turmoil and decay, and the government now admits that. I think the minister's words were the system has hit the wall. And this is the second highest tax jurisdiction in the country, Mr. Speaker, and therefore North America.

At the annual SUMA (Saskatchewan Urban Municipalities Association) convention this past February, Health Minister Pat Atkinson . . . the Health Minister said that she couldn't promise that the NDP wouldn't close more hospitals. The latest casualty was the Carrot River Hospital. Some rural hospitals are being converted to health facilities. No acute care or other critical services available.

We see the closure of operating rooms; the closure of intensive care units; 21 out of 32 health districts in debt; a debt totalling more than \$50 million. The Yorkton Health District CEO resigned, citing frustration with the government's handling of the health care system.

The president of the Saskatchewan Medical Association says they hear of delays in treatment every day, that the health of the people in the province is being compromised.

Mr. Speaker, nurses have been warned about rabid bats at the Regina General Hospital. The province has one of the longest waiting lists in the country for medical services. Reports, reviews, investigations, recommendations — when will the government start listening?

The Health department has refused to put Aricept on the formulary, a drug that has been medically proven to effectively treat Alzheimer patients. In Ontario, Manitoba, and Alberta there is trial prescription program offered by the manufacturer of Aricept at no cost to the provinces if the drug doesn't help the patient within the first 12 weeks.

There's decreased funding for chiropractors in the years 2000 and 2001 budget. This shortfall will undoubtedly be passed on to patients. With increase to payment at point of service, fewer patients will seek chiropractic treatment, resulting in decreased productivity at work, and probably an exodus of chiropractors from this province, Mr. Speaker.

The Saskatchewan Association of Health Organizations (SAHO), the body that represents the province's 32 health districts, has a new CEO — none other than Louise Simard, former Health minister, whose wellness plan for the province resulted in a deplorable state of the province's health care. But she's back, Mr. Speaker.

Licensed practical nurses and registered nurses have been at odds over scope of practice issues for years, yet the problem has not been properly addressed or resolved. The 2000-2001 budget

spending on health care increased by a paltry 17 million.

Concern over the Health Transition Fund, \$150 million in federal money, but the Health department has not indicated where or how it will be spent. Will it be used to close or convert rural hospitals, Mr. Speaker?

No mention yet of an Ombudsman in the budget. No mention of an audit of the health districts in the budget. No funding for those health districts facing deficits, Mr. Speaker.

In recent weeks both the Health minister and the Premier himself have said that medicare is in trouble and that public dialogue was needed as to its sustainability and viability. The Health minister has even gone so far as to say they may have to look at what services people want and what services people would be willing to pay for.

The NDP are now talking about a review of the health care. They say it's not sustainable in its current state. The Saskatchewan Party has been calling for an independent, complete, value-for-money audit for two years. The NDP has scoffed at the idea. Now it appears that they are finally starting to think about it. And they've tried it in Regina, Mr. Speaker, and they found that they can save 10 to \$12 million from that one audit of the Regina Health District.

It's too bad, Mr. Speaker, that they don't audit health districts before they get deep into debt.

Harvey McLane, an ousted Liberal MLA, has been named a special health advisor to the Executive Council. When Mr. McLane sat in opposition to this government, the NDP derided him as a proponent of private health care, even going so far as to nickname him, two-tier Harvey.

Long-term care fees hiked by as much as \$5,600 per year, Mr. Speaker. This is a direct hit for seniors and those on fixed incomes. Those already at the poverty level will be expected to fork over around \$465 a month, money that could have gone to pay for prescription or non-prescription drugs and other amenities.

More and more people are seeking treatment elsewhere — Alberta, Manitoba, United States.

The current health care system is collapsing under the strain. Forty per cent of the government's total budget goes towards health care. We cannot keep throwing money at it without first finding out what's going wrong.

It's crucial, Mr. Speaker, that the five principles of health care as outlined in the Canada Health Act remain intact. Accessibility to quality health care is paramount for all Canadians.

For those here in Saskatchewan, residents must be able to access medical treatment wherever they may be, whether it's here at home or in another province. As well, if someone visiting from another province needs treatment here in Saskatchewan, reciprocity allows for that. People have come to expect that certain things will be there for them, quality health care being one of them.

Concerned with the increasing number of residents who have been transferred to other provinces to receive medical treatment, Mr. Speaker, we also have concern with the number of residents who, frustrated with the extremely long waiting lists and lack of front-line services, have on their own decided to seek treatment elsewhere. What happens to reciprocity for these people?

It seems that when they take their health care into their own hands, the health care system turns its back on them. No one should have to wait for two months for a biopsy. No one should have to wait six months to see a specialist. No one, Mr. Speaker, should have to wait for 12 months for a diagnostic test.

In this age of technology, medical advancements, and accessibility to information, it's difficult for everyone to fully comprehend why Saskatchewan has the health care problems that it does, and there are a number of issues that must be addressed.

The current reciprocity agreement allows residents from other provinces to access treatment here in Saskatchewan. It also ensures that Saskatchewan residents can access treatment in other provinces. Up until now, not aware that there were concerns with the current reciprocity agreement, given that, why is there a need for amending the current legislation?

Shouldn't the government be more concerned with more pressing issues, some of which I have listed? Like the closure of rural hospitals. The increasing number of health facilities which translates into no acute care and fewer services. The nursing shortage. The lack of doctors in rural areas. The long waiting lists. The closure of operating rooms and intensive care units. The huge deficits faced by two-thirds of the province's 32 health districts. The list goes on.

It would seem that if the government were to address these very critical issues, then would reciprocity take care of itself? In fact is the government, by amending legislation, preparing for the reality that more and more residents will have to be treated in other provinces and even in the United States simply because the health care system here cannot accommodate the increasing numbers?

Reciprocity is something that's in place so that residents everywhere can access medical treatment wherever they may be in Canada. The minister has referred to this as a housekeeping duty. Why aren't the other issues being taken care of first, Mr. Speaker?

Certainly the lack of front-line services would seem to be more urgent than amending the Act that by all accounts still works and won't speed up or change how residents of this province access health care. Once again, it's the government making sure that they're getting paid for services rendered, and they're forgetting about the people who need those services.

Mr. Speaker, I move to adjourn debate on this matter for now.

Debate adjourned.

(1530)

Bill No. 1

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 1 — The Farm Financial Stability Amendment Act, 1999** be now read a second time.

Mr. McMorris: — Thank you, Mr. Speaker. The Bill, The Farm Financial Stability Amendment Act, 1999 is what I'd like to address today.

I find it kind of interesting. It's quite a title; it's got really extra billing I guess you'd say. Farm financial stability — under this present government, it seems to be something that is very tough to find.

And I really find it interesting that if anybody should be talking to farm financial stability it probably shouldn't be the members opposite. The NDP government has had many, many problems in this area, I really feel in agriculture especially, and farm financial stability since they were given power back in 1991.

I look at my own situation on my farm and how things have gone since then. And there's been some real problems with the way this administration has operated to help farms gain financial stability.

One of the first things that I have to look at a number of years ago as a young farmer at that time and trying to gain some stability and especially financial stability on my farm, was the GRIP (gross revenue insurance program) program that came into place. The guaranteed revenue income program which really was designed to create farm stability. That was the whole point of this very program.

And I was involved with it. I was a member, had a contract through the GRIP program for a number of years, for the couple of two or three years that it was in place. And I found that it was a program that I could find some stability on.

I could go to the bank and I could talk to the banker and say, this is what I'm going to be planting this year, this is what I'm going to be able to produce through revenue and product. And they were quite happy with that. It did give me, definitely, some stability.

Unfortunately, shortly into the administration . . . and I will agree with the government of the time that perhaps the program was not the perfect program. Perhaps it was a little rich for what we could afford in the province. But to all of a sudden take that contract and rip it up without doing any adjustments at all to that program, really, I think removed any sort of stability that I was facing and that I was feeling in my farming operation.

You know, again for this government to talk about stability, this farm crisis just didn't start on September 16, even though they might have got a clear reminder that they weren't addressing the farm situation when they failed to win a rural seat in Saskatchewan after the last provincial election; but this farm crisis really started many, many years ago.

I would say two to three years ago on my farm I really started to notice quite a decrease in the revenues being generated by the

crops that I was growing. I myself took it upon myself to certainly change the farming operation that I was in and go to a lot more specialty crops and things like that.

But I think the point that is very, very important here is that the present government at that time said there's no farm crisis. What farm crisis? I don't know of any farm crisis. And it was starting to really hit home for a lot of us that do manage the dirt.

There were comments by the now defeated Ag minister, Eric Upshall, last spring that there was no farm crisis.

An Hon. Member: — Eric who?

Mr. McMorris: — Eric Upshall. Can you imagine the Minister of Agriculture saying that there's absolutely no farm crisis and then to have it blow up in their faces like it did last fall? I mean that . . . talking about losing touch. It's really a sign of just how out of touch the NDP government was in rural Saskatchewan.

And I think most of us MLAs that were elected, and newly elected MLAs in rural Saskatchewan, felt that and lived and breathed it because most of us were connected directly with agriculture. And so we knew that that problem didn't start September 16; that problem had started many years prior. Again starting with the ripping up of the GRIP, and a government not really understanding what we are going through when we are farming the ground.

Another area . . . And I guess we could thank the Ag minister, defeated and former Ag minister Eric Upshall for this. But then came AIDA (Agricultural Income Disaster Assistance), and AIDA has really been a disaster. It's suppose to relieve the disaster; it's suppose to be a disaster assistance program, but to me it was a disaster.

It caused so many problems. And I can think of the number of phone calls . . . I think if there is one thing that, as a newly elected MLA, that I really noticed the first two months into my term as the MLA from Indian Head-Milestone was the number of calls that I was receiving on AIDA. And it was example after example after example of how AIDA was not working. And it really wasn't working.

I had a fellow who is a seed cleaner in my constituency, who has been struggling. He's expanded, he's expanded his cleaning system so that he can hopefully gain some of this farm financial stability that this Bill speaks of. And he was told by AIDA that he was suppose to receive about \$16,000 after having the forms filled out and costing him \$600 to get the forms filled out. AIDA sent him a cheque for about 8,000 out of the 16 — he was suppose to get all 16 — and he was really complaining.

And so that was really one of the first phone calls that I received as an MLA. He says, can you help me get my name moved back to the front of the line so that I can get the full amount from AIDA? And I thought, well, I'm going to be a hard-working MLA and I'm going to go to work for this guy, and I'm going to see if he can't get all \$16,000 as soon as possible because he needed as much money as he could get his hands on with bills and everything else coming up.

Well I worked, and I made a bunch of phone calls and made a

bunch of phone calls, and to make a long story short, the end result was AIDA phoned him back and said, whoops, we made a mistake. That \$16,000 you were suppose to get, even though you only got 8, was really supposed to be zero and now you owe us \$8,000. And that was the first situation.

And I guess we can really thank the defeated minister of Agriculture Eric Upshall for having such an input in that program.

So the AIDA program is flawed, is flawed from the beginning. I realized after that maybe you've got to watch which caseloads you want to follow, and which ones you can win and which ones you can't.

The people of rural Saskatchewan, and in fact of all the province, sent the government a clear message on September 16, the election the Premier called in the middle of harvest. And I guess that really speaks to the compassion that this government has for agriculture and the importance this government puts agriculture in. As far as a 1:10 reading — and 1 being most important and 10 being the least important — I think an election come September would put agriculture at a number 10 level.

An Hon. Member: — Or less.

Mr. McMorris: — Yes — or less. It really shows that they have absolutely no compassion and no understanding for the agriculture sector, the people that are trying to make a living on the dirt.

Well I think that fall election certainly showed that this government wasn't in touch with agriculture. And I think by the number of seats that were lost — which were held, a number of them, by cabinet ministers of the government — that were lost just goes to show that the NDP feeling and compassion for agriculture was gone. The people voted, and voted overwhelmingly in most constituencies, to knock the sitting NDP member out because they just really didn't have an idea of what was going on, dealing with agriculture.

When we actually thought that the members opposite were starting to listen, when an emergency debate on the farm crisis was finally called, it was an idea of ours. We said, let's get the farm groups together and say this is an emergency and go to Ottawa with it. Well finally, once this session was recalled in late fall, early winter, we thought maybe that this present government would be listening, and as a coalition government, supposed to be being able to encompass more of the views of the people of the province — we sure didn't see it.

History was made when the farm groups . . . farm group after farm group came forward to the floor of the legislature to present its case on how the crisis was affecting the entire province. And I think that's definitely an issue that sometimes gets lost when we start talking about the agriculture crisis, is that we look at it as people on the dirt, people that are actually doing the farming. But this agriculture crisis is going to hit home over the next two or three years as more and more people are unable to meet their expenses, meet their bills.

I was talking to a fellow that runs a car dealership down in

Weyburn, and he was saying the amount of half-ton trucks that they had sold in the last six months to a year has been zero. New car sales aren't too bad. They're still a number of government employees and people that may be on pensions that are getting some regular income. But the guys that farming around the Weyburn area, because we had such a disaster last spring as far as seeding, people that got 20 and 30 per cent of their ground seeded aren't out there buying new half-tons and aren't out there buying used half-tons now that there's a six per cent tax on it.

You know, the used half-ton that they thought about buying a little while ago they can't afford now. It's just jacked up 6 per cent, you know, so when I think of how understanding, and whether this government has a grip on agriculture, I really question. And that's . . . (inaudible interjection) . . . and then the GRIP was ripped up, that's right.

Do you think the government's listening? No, we get yet another flawed program with barely enough cash to help farmers get through spring seeding; a program that we haven't heard any details on yet either. I get phone call after phone call saying, what's happening with these latest programs; do we know any more about what's going to happen? I'm scared to start checking into it like the AIDA program that I checked into and found out that it was a big fat zero. I sure as to heck hope that this new program isn't that way.

The other area that they talked about it is the reduction in the education tax on ag property. And as I mentioned when I responded to the budget, I said I had to give them a hand; I said that's a very good idea. I've been to tax revolt meeting after tax revolt meeting, and most of the members on this side have attended tax revolt meetings, which is a heck of a lot more than I can say for members on the opposite side.

After tax revolt meeting and tax revolt meeting, I realize it's a huge, huge issue. I know I just look at the ag . . . the education portion that I pay on the land that I farm and it's a huge issue. But the unfortunate part is, is that it's coming around to bite us from behind, and that the education portion in that budget is far, far behind.

And so now what's going to happen is that any relief that I received through education portion . . . in my tax, my property tax, is going to be eaten up because the school divisions are going to have to increase their mill rate. And as the school divisions increase their mill rate, it's just going to increase my property tax.

The area that people were angry about the most in rural Saskatchewan — property tax. And they thumbed around and found a new way of hiding it; coming through the back door and increasing it through the school divisions which obviously say we can't compete, we can't cope with the money that we're raising; we're going to have to raise more — with the money we're receiving from provincial government we're going to have to raise more. And there it goes right back on the property tax, the very issue that this government was boasting about — historic budget on tax relief. It's not there.

Much of the money farmers might actually get will go into increased fuel cost. The NDP government had every

opportunity to help farmers by voting in favour of a motion put forth by the Sask Party to cut gas tax by 10 cents a litre. Okay, and that's an area that would help. I mean it's an area that we thought it was missed out on the budget. They had an opportunity to make a big difference in the province — they missed the mark; they struck out on that budget.

And it was a motion that we on our side of the House thought was a great idea and after talking to, again, constituent after constituent, after talking to a number of people from around the province, we're receiving petitions every day on the temporary relief that people were looking for in this budget.

Now unfortunately it missed the mark on not only the budget, but you missed your opportunity on that 10-cent-a-litre fuel tax rebate. It's really, really too bad.

The federal Liberals . . . It's interesting because on that very issue is that the federal Liberals were willing to meet us halfway. They started the whole ball rolling; they said here's something that you can latch onto, here's something that can help. And unfortunately it was missed out. This government is sitting on a huge slush fund, but when it comes to helping out people by giving them immediate tax relief, nothing is here to help them.

And you know it was interesting, I was talking about the agriculture financial stability fund is how . . . When back in the fall when the coalition groups were meeting on agriculture and saying you know, what can we do, we've got to pressure the federal government, we got to pressure the federal government, it's the federal government's responsibility, we came along with the \$300 million out of the liquor and gaming fund.

And you know I'm not kidding, we did have to sit there and think is 300 million too much — there's only 350 in it — are we asking for too much to put 300 million in to lever some money from the federal government.

(1545)

Well little did we know 300 million was a drop in the bucket. There was \$700 million in that fund and we only had asked for 300 million. Maybe it's a good thing we didn't know there was 700 million, they'd accuse us of trying to spend the whole darn thing. That wasn't the issue at all. The issue was some farm financial stability for the farmers in Saskatchewan and we missed the mark on that one too.

The government announced in its budget a program to rebate farmers of \$50 million in property tax, which I've already touched on, over the next two years. Were they willing to make up this money with more hidden taxes? And the answer is, yes. I mean, we're going to go through the school divisions and let them increase the taxes so we can look good; we can look like it's a historic budget, but let's make the school divisions increase taxes which then just totally eats up any portion of the education rebate that we are hoping to receive in the near future.

The establishment of the Liberal-NDP coalition has done nothing to help farm stability. I remember standing . . . I remember talking on a number of . . . from farmyard to farmyard for the month of September, when people were out

getting ready to combine and you'd get out on the campaign trail real down and out good and early so that you could get them before they got the combine greased and got out and started knocking off another couple hundred acres of durum, and what I was doing is I was talking to many different farmers.

And what I was finding is they were saying well what about this Liberal, they're going to have money in my farm hands immediately. If we vote Liberal, we're going to have money right away from the federal government because we can pull the strings and we can get it here so much quicker.

Well, Mr. Speaker, unfortunately, I guess, that it wasn't a Liberal majority government, but I was certainly hoping that at least if it was a coalition government with some Liberal input, that maybe some of this campaign promise that we're going to have money in your hands immediately would come about. But unfortunately, Mr. Speaker, that wasn't the case.

I see very little that the coalition of Liberal-NDP has done for rural Saskatchewan and agriculture. The leader and now Education Minister could have called the Liberal Prime Minister for help. But all farmers ended up getting was a headache called AIDA, and the son of AIDA now.

But there's very few . . . there are a number of people, again just touching on AIDA, in my constituency that were down to 20 and 30 per cent seeding intensity rate on their ground. And they've applied for AIDA and they've got no . . . first of all it takes a long time to get a response, but when they do get the response, it's not the response that they needed. It's not the response that they needed to keep farming into the year 2000 and 2001. It's a totally lacking program.

And unfortunately guys that are that close, that are really needing some financial assistance, some financial stability — which this Act talks about — are not receiving it, not receiving it from the provincial government and they're not receiving it from the federal government.

For days and days and days, when we had people sleeping in the Legislative Buildings, it wasn't because of its comforts. It was because they had . . . against the wall. They're totally against the wall and they see nothing, absolutely nothing, from this provincial government.

The member of Saskatoon Northwest also suggested that the school boards don't like the way . . . what they got in the budget. They should raise taxes. That was his comment, just raise taxes. That will lead to further erosion of services in rural Saskatchewan.

The last issue too that I want to talk about when I look at this Bill, as far as farm financial stability, is what I would class as farm financial stability would be a long-term safety net.

You know we need something long term that we can bank on, that we can go to the bank, — a little bit like GRIP; not saying it has to be GRIP — but that gave us some sort of stability, some financial stability. And right now we haven't seen anything come forth. I just hope that the Minister of Agriculture is working on it, but unfortunately hope is not a real common word used these days in the agriculture sector.

There doesn't seem to be a lot of hope in the agriculture sector although we all hope that he's working on some sort of a long-term safety net that can get us through the real valleys. The peaks are easy to manage because we can do certain things on the farm that allow us to manage. But when you go through a valley like we've hit, and it's an extended valley that we've hit and we've seen absolutely nothing coming out of the federal government or provincial government, perhaps this provincial government figures that crop insurance that we've got — that, Mr. Speaker, you know an awful lot about — but the crop insurance program that we have got is sufficient.

Well it isn't sufficient. We need something long term; something that will help us. On my farm myself, I do take crop insurance but it's only because it's an absolute must. I think I should. It's certainly isn't because of the benefits that it's going to help me out through the real valleys that we see in agriculture. So, Mr. Speaker, The Farm Financial Stability Amendment Act, 1999 is far from what it spouts, it says it is. It's certainly far from farm financial stability.

I think one other thing that I wanted to talk about — just touch on, is to show how things are going in rural Saskatchewan — is the expansion and the increase of farm groups; farm groups that are trying to speak on behalf of farmers to try and get the governments here to say this is a real disaster. You know we, as opposition, can say it and what the government says is: oh, you're just playing politics; you're fearmongering; it's not as bad as it seems.

And I think a lot of people in rural Saskatchewan are so frustrated that they start their own farm group and say: well, yes, it's just exactly what you are saying, what the opposition is saying; it is as bad as it is. We have the Pro West which used to be the Bengough rally group. We have the Sask rally group. Now I see SARM (Saskatchewan Association of Rural Municipalities) is working very, very hard to put another farm group together to try and bend this government's ear to say it's a crisis out there.

We, as the Sask Party, have been saying it for two, two and a half years, and we're having a hard time getting through. Finally, maybe there's a bit of a crack there, maybe they're starting to think that maybe there is a problem in rural Saskatchewan. But unfortunately this Farm Financial Stability Amendment Act, 1999 that we're talking about today is far from any sort of a saviour.

So, Mr. Speaker, I would like to adjourn debate on this Bill and we'll discuss it more in the future. Thank you.

Debate adjourned.

Bill No. 2

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Lingenfelter that **Bill No. 2 — The Animal Identification Amendment Act, 1999** be now read a second time.

Mr. Hart: — Thank you, Mr. Speaker. I'm pleased to be able to speak to Bill No. 2, entitled The Animal Identification Amendment Act, 1999.

Mr. Speaker, any time this NDP government brings forth legislation dealing with agriculture, people in rural Saskatchewan are somewhat hesitant. They wonder if there's any hidden agenda, or what plans members opposite may have to further erode rural Saskatchewan.

And it's in that context, Mr. Speaker, that I would like to make a few comments dealing with the mindset of rural Saskatchewan. Many of the comments that I'm going to make, my colleague from Indian Head-Milestone has just stated. But I think that it's important enough that I will repeat at least some of the areas that he's talked about just to make sure that members opposite understand the concerns. And even if it is something so simple as dealing with livestock identification, there's a real concern that the government opposite may have a hidden agenda. And why do they have this concern?

Well I think if we look back and see how this government has dealt with agriculture, we can see that the concern is genuine. The proof behind this is how the government started when they first took power. The first sign we saw was what happened with the GRIP contracts that were broken and the money was used to balance the provincial budget. Farmers' mistrust of this government started almost on day one.

A further sign of this government's lack of commitment to agriculture in this province is the state of our highways that farmers use — including the livestock producers — to have to travel and take their produce to market. These farmers get their animals to market but ever since the government came to power, the roads have degenerated to gravel.

And the case in point, Mr. Speaker, is a highway in my constituency of Last Mountain-Touchwood, Highway No. 22, which goes from Dysart to Lipton. And you might be quite familiar with that highway, Mr. Speaker, since it's very near to your constituency and you may in fact have had the misfortune to have to travel that portion, particularly in the spring. It is full of potholes. It's unsafe for not only cars, but can you imagine producers taking livestock to market with a trailer behind a half-ton or three-quarter-ton truck? It's quite a challenge to navigate that portion of the highway, Mr. Speaker.

And this government has had nine years to do something about that section of highway, and to this point in time, they managed to get a few trucks out there to repair during the election period. And most of the residents saw through that veiled attempt to do something with it, and pointed it out very vividly to me during the campaign as to what a bogus statement on highway repair that type of action was.

This NDP government has also been off-loading many costs to producers including education to rural ratepayers. This has been . . . which has been disastrous for farmers. Granted, in this budget, they have made some attempt to come forward with a program of rebate on a portion of your education tax.

Many producers are skeptical of this. They are waiting to see how it is going to be enacted. When RM (rural municipality) offices contact Department of Finance or Department of Education, they are given various scenarios as to how it's going to be implemented. There's no clarity on this issue, and landowners remain very skeptical.

They also wonder whether this is actually going to happen or is there going to be some sort of a hidden tax introduced to offset that. We've already seen the Minister of Education say that if boards of education can't meet their commitments with the monies in this budget, that they should just go ahead and raise taxes. Taxes, which will most likely more than offset any rebate that producers and landowners will see.

Many livestock producers have concerns with the direction this government is taking in regards to Bill No. 2. They have serious questions about animal identification and what we are seeing is the possibility of a compulsory ear-tagging system.

And those of us, Mr. Speaker, who have been involved in the livestock industry for many years know that to date there isn't a system of tagging and identifying animals short of the branding system which has been around for many years. But as far as tagging animals, there isn't a system that is fail safe, where animals won't lose the tags.

So I wonder, Mr. Speaker, what is the purpose of this Bill if you haven't got a system that will in fact carry forward the intent of the Bill?

I've been in . . . myself and my family have been involved in beef production for many years. We've tried probably almost every system of tagging there is available, and we find that none of them are fail safe. The animals tend to lose them during the winter feeding period, out on summer pasture, and that sort of thing. So there's a real concern amongst producers about the fact that there isn't a good system of ear tagging.

In his speech addressing the Bill, the Minister of Agriculture talked about people's safety concerns and where the food they eat comes from. The packaging and feedlot industry share these concerns as well, and they are working towards putting programs in place.

But as I mentioned earlier, to date we don't really have a system that — other than the branding system — which is permanent. It stays on the animal. It's may be not quite as readily readable in some instances as some of the people in the industry would like to see, but I think it probably does serve the purpose of identifying animals. If the brand is registered, you know who owned that animal. It can't be tampered with and so on. So I think, as I said, there is a system already in place.

There's a lot of questions that producers have about this proposed system of animal identification. It sounds like it's going to be mandatory. They're wondering about whether people who don't want to, for whatever reason, don't want to get involved and enrol in the program, what the implications will be.

Will they be able to sell their animals? Will they be able to buy animals? Will they be able to transport their animals? There's quite a number of questions that remain unanswered that deal with this Bill, Mr. Speaker.

There are also questions that many producers may not even be around to see this proposed amendment if it passes. This government deals with rural Saskatchewan in such a heavy-handed manner.

In the budget, it failed to bring forth any long-term safety net program which would add some financial stability, as the member from Indian Head-Milestone has already mentioned.

I feel, Mr. Speaker, that the government should be spending its time more wisely in researching and developing a long-term safety net program. And some of these other issues that they are presenting here are . . . seem to be more window dressing.

(1600)

The government had the chance to do something in a real and meaningful manner, for not only producers and farm families but for all people of Saskatchewan. We gave them the idea and the opportunity to do something about fuel costs in conjunction with the federal government. But what they did do? They backed away. They said: no, we can't do that; we like to see people pay these high taxes.

And these high taxes have a real effect on livestock producers, the people who do the custom hauling and many . . . Most of the livestock nowadays is moved by custom truckers who are paying these high prices and they have no alternative but to pass that cost on to the livestock producers, as do the truckers who haul a lot of our grains and oil seeds and pulse crops off our farms.

Many truckers have come to me, Mr. Speaker, and said: with this high cost of fuel, we are really finding it tough to hold the line on custom hauling charges. And they have no alternative but to pass it on to the people that are shipping the products, and thereby taking more dollars out of struggling farm families.

Mr. Speaker, when I look at this Bill, I see things like requiring persons selling or distributing devices or substances for animal identifications to be licensed. Now I interpret this as my local co-op, a farm supply store, would have to be licensed to sell ear tags, Mr. Speaker.

Then it goes on to further say that there will be requirements for eligibility for a licence, and terms and conditions for a licence. So we're talking here about developing here a whole set of regulations and perhaps creating more bureaucracy just to sell ear tags in this province. Is that what this Bill is all about, Mr. Speaker?

And then to no one's surprise — at least on this side of the House — we see here that fees will have to be paid for this licence. So what is this? Another hidden tax, Mr. Speaker? Fees to sell ear tags — now I haven't heard of anything so ridiculous in a long time, Mr. Speaker.

And then the Bill goes on to talk about renewal, suspension, and cancellation of licence. You'd think that this licence is a licence to practice medicine, and you're talking here about developing a licensing system for people to sell ear tags.

Now is that all this government here has to deal with today when farm families are struggling out there? I think, Mr. Speaker, that this government is not focused; they don't realize what the problem is; they have no ideas as to what the solutions are; and so therefore they bring forth the Bill like this to take the focus off so that they can go out to the country and say to

the agricultural sector, well we are doing something.

So Mr. Speaker, before we can move this Bill along, we would like to . . . we have some real concerns with it — particularly to the licensing issue and the fee structure — and we would like to talk to the various sectors of the livestock industry and therefore, Mr. Speaker, I move to adjourn the debate.

Some Hon. Members: Hear, hear!

Debate adjourned.

COMMITTEE OF FINANCE

General Revenue Fund Agriculture and Food Vote 1

The Chair: — Before I call the first item, I'll invite the minister to introduce his officials.

Hon. Mr. Lingenfelter: — Thank you, Mr. Chairman. I look forward to questions from the opposition. And before we start, I'd like to introduce my officials who are with me today.

Seated to my right is Terence Scott, the deputy minister of Agriculture and Food. To my left is Hal Cushon, director of policy and program development branch. And directly behind me is Jack Zepp, the director of administrative service branch. And behind and to my right, Susie Miller, the assistant deputy minister of Agriculture and Food.

Subvote (AG01)

Mr. Boyd: — Thank you, Mr. Chair, Mr. Minister, and welcome to your officials this afternoon.

We have had some degree of discussion about farm stability in Saskatchewan here with respect to one of the past pieces . . . or one of the pieces of legislation that's before the Assembly. And I'm sure many farmers in this province are concerned about their farm stability, their operations these days where, as you know, Mr. Minister, a very short time before our spring seeding will start in Saskatchewan.

Even though we've been blanketed by a snow storm here in Regina, many areas of the Southwest traditionally by the middle to the last week of April will be into pre-working stages and then into seeding very shortly thereafter. And after that the rest of the province will join along in the effort very shortly.

Part of the . . . part of what we are hearing from people and farmers all across Saskatchewan is the concerns they have both in terms of short-term problems that they are faced with, the short-term relief packages that have been put forward, and we'll be having . . . we will want to discuss with you, Mr. Minister, how that program development and delivery is happening, and where we can hope to go in the future with respect to a long-term safety net.

Farmers in Saskatchewan have been waiting with great anticipation for a long, long time in terms of a long-term farm safety net program. So we're not caught in the situation that we

have been faced with over the last year where there is nothing largely in terms of a long-term safety net that meets the needs of Saskatchewan producers; that they can point to with any degree of security for the future for their operation.

So we'll want to engage in those broad range of discussions over the course of time. We have many questions about crop insurance and the changes in the crop insurance program. I'm under the understanding that the officials for that department aren't along today. If we can't get into specific questions about crop insurance, we will perhaps reserve those questions for another day.

But we could start with the short-term relief package that has been negotiated, Mr. Minister. And I'd like to know, on behalf of farmers across Saskatchewan, at what stage we are in the process for that program right now. I'm told that, I think as of today, crop insurance offices will have packages available.

I checked on the web site yesterday — your web site — to see whether or not there was anything in terms of applications and I couldn't find it. Perhaps you can let us know whether that was available today. I think it said in the brochure that you sent out that the 10th — which is today — would be when some of that information would be available. I want to check to see whether that is the case.

In many parts of the province, prior to the snowfall that we've just seen, there was large parts of Saskatchewan that were very, very dry and so spring seeding operations could be quicker than we would normally expect. We're not looking for drought relief as the member is alluding to over there; that wasn't what I was suggesting at all. What I was suggesting was is that spring seeding operations may be advanced, more advanced than we might ordinarily see. Given the difficulties with the crop last year, with an early frost in many parts of Saskatchewan, I'm hearing from many farmers that spring seeding operations this year will be fast and early.

And with many farmers getting on the land as quick as possible, not waiting for later on in the spring to get their operations going, so a lot of them are looking to see if they can't get this program wrapped up as quickly as possible so that they can start into their seeding operations, or their pre-working stages, or there's lots of seed cleaning going on — all kinds of very intensive activity in the ag circles these days as you know.

So, Mr. Minister, I wonder if you would start by providing an explanation as to where we're at with the short-term programs that have been put in place, the NISA (Net Income Stabilization Account) top-up — exactly how that is all going to be working and provide some direction in that area.

Hon. Mr. Lingenfelter: — Mr. Chairman, I want to take this opportunity to thank the member opposite for work that he and his caucus were able to do with us in the farm coalition. We travelled to Ottawa together and their leader, along with the Leader of the Liberal Party and our Premier, did a lot of work after the election leading up to the new year. And subsequent to that, working with farm organizations throughout the province to try to put together and cobble together a package that would ensure that the maximum number of farmers would be able . . . as he says when the spring comes, whether it's early or late.

And obviously as soon as you try to predict which that will be, you're wrong, because it changes so quickly.

But at any rate, I thank him and his caucus for some of the work that they did in bringing together what is, I believe, a meaningful package, although not perfect, far from it, but a meaningful package of getting some emergency money into the hands of farmers before seeding and throughout the coming year, this year 2000.

There's really four parts to that package and I'll start out with the Canada-Sask Adjustment Program which I think is the main program that he's talking about, the \$260 million which will flow from taxpayers in this province and from taxpayers across the country to farm families in Saskatchewan. He will know that there are two different groups of farmers who will be eligible. Those in NISA who's records will be used to base the payment on. The ability to access that program by those who are in NISA will be very, very simple and straightforward. They will be receiving in the mail, this week, a declaration which they will be able to simply sign, return by Canada Post or bring back to one of their offices, and those cheques then will start flowing out next week.

So you could see people getting money into their accounts as early as 10 days from now if they were to, let's say mid this week get their declaration, sign them off, and immediately return them. And this is what I would urge farmers to do is not leave it as I often do, sitting on the fridge or coffee table in my living room for a week or two. And I'm sure they you won't because there's a lot of urgency, but get those back in right away and the cheques will be cut by the department immediately.

So the money for those who are in NISA will come back by return mail very, very quickly. And most farmers, if they return the declaration form immediately, will have cheques into their accounts before the end of April. So that money will be turned around very quickly.

Those who are not in NISA will have to fill out an application form and those are available, I understand — don't hold me absolutely to it — but at the rural service centres today. And some may get them tomorrow but my understanding is those application forms will be in the rural service centres today.

(1615)

This process will be a little bit longer because they have to actually make an application and fill out to give evidence of their cash receipts to make sure that they have eligible cash receipts. So that will take a little bit longer.

But just so we know what percentage we're talking about in each of those two parts. There's about 90 per cent of the farmers actually have NISA accounts or have their grain flowing through NISA so they will get their cheques very quickly, by the end of April. The 10 per cent who aren't in NISA, or approximately 10 per cent, it will be a little bit longer process but they too will get their cheques fairly quickly.

So that's the first part of the program. Cash on the dash as a former premier of this province used to like to say, of \$260

million from our friends and neighbours who through the budget process have now allocated \$260 million of their money to help farm families.

Then there's another part of the program, which is the interest-free cash advance, whereby farmers now can go to their elevator and fill out cash advance forms and receive about \$400 million before seeding, interest free. There will then be the AIDA program which will pay out this year, by estimations, \$300 million to farm families in the province.

In addition to that, the \$40 million of tax relief announced in the budget for farm families for a total package of interest-free loans and direct cash payments of about a billion dollars to Saskatchewan farm families.

Again I say it's imperfect, but on the other hand most farm groups and farmers themselves are saying it's the lifeline they need to get the crops seeded. Again, it's not foolproof. It's not a hundred per cent of farmers who will . . . this will do the trick. But it will serve to help get the crop seeded for the vast, vast majority of farmers in the province.

And again, I want to thank all farm organizations and all political parties that were involved in helping put this package together.

Mr. Boyd: — Thank you, Mr. Minister. Mr. Chair, I understand that many farmers have — and you would know this — have moved their operations . . . or have moved to withdraw money from their NISA accounts and now will find that they would have very little . . . In fact, I've had many, many calls from farmers over the last while that in order to gain access to their NISA account have found that they . . . the only way they could get money quickly in a lot of cases was to withdraw or opt out of the plan entirely. And many did that in 1999, some of them just recently with the changes in the NISA program allowing them to access that money.

I'm wondering if that actions, those actions that many farmers had gone through, will that impact in any way upon the program delivery or any expected benefits from the program for those producers.

Hon. Mr. Lingenfelter: — For the member opposite, it is not linked to your involvement in NISA.

Mr. Boyd: — Many farmers as well, Mr. Minister — and you will, and I'm sure your officials, be aware of it — when income tax season, which we are approaching real close now, rolls around for people, for non-corporate entities, April 30 will be the deadline. There's a lot of farmers are going to get a big surprise when they file their personal income tax if they withdrew from their NISA accounts or wound up their NISA accounts. Because they will be faced with significant income tax implications as a result of that.

Have you made or are you looking at making any representation to the federal government with respect to that? Or looking at any deferral of income tax or any of that type of thing at a time when cash flow is going to be extremely important to farmers as we approach spring seeding?

I'm told that many farmers are finding that they will . . . anything that they may have gained out of this NISA top-up program is likely going to be not even enough to meet the income tax problem that they are faced with. Are you aware of those circumstances? And are you taking any steps to address them?

Hon. Mr. Lingenfelter: — Again, I say to the member opposite, that each individual will be in a very different position.

But it's quite obvious that those farmers who are most strapped for cash and having a great difficult time with their farming operations, paying income tax is the last of their worries because their income is offset totally by farm expenses which are, in most cases, totally deductible. So that group of farmers who are in the most difficulty aren't worried about income tax.

But there is a group, as you go up the income scale, who will have to pay income tax — not on the portion that they put into NISA because that has already had tax paid, as the member opposite is obviously aware — it will be the about 50 per cent that is matched by the federal government or by other taxpayers that they will have to pay income tax on.

The member opposite, I think we should be very careful too to not paint a picture that it's a total disaster in rural Saskatchewan — that every farmer in rural Saskatchewan is having a great deal of difficulty.

In reading *The Leader-Post*, Mr. Chairman, on the weekend, I was interested in a front page story that said, "Different takes on farming" which goes into a story and compares the plight and I say the attitude of two different farmers.

The first I would like to talk about is a fellow by the name of Doug Schmuland who farms at Langbank. And the other is a woman by the name of Dianne Cropp who farms at Gerald. And we know Dianne because she was one of the people who was very much involved in the protest here at the legislature.

But it's an interesting story because the story, as told by Doug, talks about how you can make a living farming. And this is an individual who some years ago . . . he grew up in Regina and decided two decades ago to make his living on a farm in that area of the province.

And I quote from him. And I want to quote it because there are other members who will not have, and many of the public who will not have heard this story, because it's an important one. He says, and I quote:

This is a wonderful lifestyle, but I look at it as a profession. With the capital we have invested in our farms, we have to be professionals. We can't do it the way Grandpa did it.

He goes on to say:

Farming is 80 per cent management and 20 per cent work, so I spend my winters gathering information and coming up with the best way to run my farm.

And he continues on:

Even with today's low prices, there are ways to pencil a profit. Rather than farmers whining and crying to Regina and Ottawa for a handout all the time, we have to be masters of our destiny.

Now these are not my words; these are the words of Doug Schmuland, who just happens to be the local president of the Sask Party in that area of the province. And I congratulate him for being open enough to speak on behalf of many, many other farmers in this province.

And I would argue the majority of farmers who are doing very well even this year. And I think the member opposite in the Kindersley area, as in the Shaunavon area, we have many farmers who are doing extremely well.

Now there are others, and Dianne Cropp, I think, indicates her belief that government should be doing much more.

And so I think, in terms of what we should be doing here and the programs that we have instituted, I think is a good balance between Doug who says, really I don't want money from the other taxpayers because that's whose money it is. It isn't our Premier's money or Prime Minister Chrétien's money; it's our friends and neighbours who pay the income tax and pay the sales tax. That's whose money it is. And so to give out more money than is needed to get the crop in, I really wonder whether we want to do that or not.

And I think the fact of the matter is, to the member from Kindersley, that I don't know how much your phone is ringing off the hook now, but I know in our office it has become very, very quiet — which would tell me that the plan that has been laid out, and part due to the work that you have done and other members of the Assembly, I think we've hit a pretty good balance on making sure that the needs of our farmers are met; but not going so far as to waste taxpayers' money by giving out money, quite honestly, where it isn't needed.

Mr. Boyd: — Thank you, Mr. Minister. I think that many producers in Saskatchewan would certainly understand your thoughts in that area, and certainly feel that it is important that taxpayers' money is being spent in the most prudent fashion that there is.

And I think . . . even if you talk to this gentleman I think you would find — and I have talked to him on many occasions; not recently, since this article came out — but I think you would find that there is very little disagreement with what he is saying on this side of the House, that there is certainly . . . that is the direction and the long-term vision that many people would want for agriculture.

His thoughts in a number of other areas might not be . . . You might not be so fast in wanting to bring them to the attention of the people. I suspect his thoughts in terms of marketing, you may fall fairly short of agreeing with.

Well I'm pleased to see that the minister is saying maybe not in that area, that he maybe not . . . is so short. His thoughts in terms of the Canadian Wheat Board's operations and how perhaps that should be opened up, I think, are far different than what yours are or what at least your government's are with

respect to that.

I think what he is saying, that farmers want the opportunity to chart their own destiny — absolutely — and farmers need the opportunity to chart their own destiny. And I think if you had occasion to talk with him more than one paragraph in length, you would find that his thoughts in that area are that we need more marketing options, that we need less government involvement in transportation — that we need many, many changes that allow farmers to do those kinds of things.

Because on one hand if you are going to, Mr. Minister, as you're suggesting, decouple farming operations in agriculture from government, at the same time as doing that we need to decouple farming operations from the restrictions that government places in front of them.

And to quote a couple of paragraphs from a newspaper story in *The Leader-Post*, that doesn't give you any of that background information as to what this one gentleman's thoughts are, I think is painting a rather glowing report for what is happening in Saskatchewan today. And I think he would be the first to want to clarify some of those comments that he is making with respect to that.

Yes, he is indeed saying that farmers in some cases are doing pretty well and there's no denying that. There are many farmers that had a pretty good year. However, if we continue down this path — the very, very low grain prices and commodity prices — I think we have just scratched the surface of what kind of problems we may encounter in the future.

Many farmers are doing pretty well because they've saved for occasions like this, Mr. Chair, and you will know this as someone that comes from an agriculture background. Farmers have . . . (inaudible interjection) . . . Oh, even he came from an agriculture background a long time ago.

And the many farmers have saved and put money away into registered retirement programs. They have saved in considerable fashion into NISA accounts over the last number of years. And they have put money into savings accounts and they have prepared for the eventuality that there always is in terms of agriculture and that's the downturn in commodity prices. And they have done that and yes, they are sitting in a pretty good position right now because they are able to draw on those reserves in this particular period.

But I would also venture to say that many, many operations right now have drawn down significantly their NISA accounts, have drawn down RRSP contributions, have drawn down savings accounts in large measure, and now are in a position where they're looking at this year as a real . . . a year that there's going to be faced with some real challenges in terms of their operations.

So, Mr. Minister, while we can agree with you that there are farming operations out there that are doing well, we certainly can't agree with you that this is simply an opposition that maybe is crying wolf too loud. We see the problems in agriculture. Many of our members are associated very closely with agriculture.

I know on your side of the House that may not be the case, but many of them on this side of the House derive the majority of their income still from farming operations so they're a little closer to the action, shall we say, than perhaps members on the opposite side of the House are with respect to this.

In terms of that, we also largely represent rural Saskatchewan and as a result of that clearly have more occasion to speak with farmers that are directly associated with agriculture than perhaps . . . and that's not to say, that is in no way to suggest that members on your side of the House don't care about the issue or aren't understanding the issue. There is just I think a closer association with agriculture on this side of the House.

Mr. Minister, many farmers have told me yes, they cruised through last year and will find it to be a difficult year and one that they won't look upon very favourably when they're remembering that about 1999. But also they've cruised through it because they've had significant savings that they've built up. As I said, many of them have drawn down those savings now and they're looking at this year with some concern to say the least as what their operations will bring for them this year.

(1630)

Areas that are dry in the province, areas that have problems with all kinds of things that they haven't anticipated in the past. Larger and larger areas of this province are faced with wheat midge. Larger and larger areas of this province are faced with transportation difficulties in terms of getting their products to market. Larger and larger areas of this province are faced with fewer and fewer elevators to deliver their products to. Larger parts of this province all of the time are more and more concerned about marketing issues.

And while many of your people are of the view that marketing is being handled adequately by the Canadian Wheat Board, there is growing, and more and more and more concern about that — the operations of the Canadian Wheat Board and what is going to take place in terms of any changes in marketing in the future. I think the Wheat Board largely is trying to do the best they can, but I think there is many farmers that would like some other options made available to them to market their products, Mr. Minister.

So to pick up on your theme here a little bit that farmers aren't doing that bad in Saskatchewan, I want you to know that we certainly agree that there are farms that aren't in too bad a condition right now, but there is also farms that are headed in a wrong direction. And all you have to do is speak to members of the accounting community in Saskatchewan right now that will know very well that there are a lot of farming operations that did not operate in the black last year, operated in the red last year, but because of the significant . . . their significant ability to manage through those times have put them into that position.

So, Mr. Minister, to pick up where we left off in terms of the short-term relief package, I'm told that the farm corporations — and it may interest many of your backbench MLAs to know this, that there are thousands and thousands and thousands of corporate farms in Saskatchewan today, family-owned farm corporations, mind you, or individually-owned farm corporations.

But I've heard many of your members get up and rail against the idea of corporate farming in Saskatchewan, but there are indeed dozens and dozens, hundreds and thousands of them. I operate one myself, and I dare to say that perhaps the minister might as well. So before your backbench MLAs get ranting and raving too much about farm corporations in Saskatchewan, you should look at the trend in terms of agriculture as to where it's going.

Many, many, many operations for tax reasons are moving towards corporate entities in Saskatchewan . . . (inaudible interjection) . . . And they are family corporations, yes. But to suggest that corporate farming in Saskatchewan isn't alive and well and moving very quickly ahead, it would be wrong because that is indeed the direction that farming is going. And corporate operations generally speaking tend to be larger and in a lot of cases more progressive operators today than we have seen perhaps in the past.

And as farms consolidate, as they are and you will know this, Mr. Minister, they are generally speaking consolidating to larger operations which almost undoubtedly are corporate holdings. And they are probably owned by two or three people on the board — in a lot of cases, husband-wife, husband-son and daughter, husband-nephew, husband and uncle, those kind . . . man and uncle . . . those kind of operations that are very prevalent in Saskatchewan today.

So it distresses me a great deal when I hear members on your side of the House stand in forums around Saskatchewan and pound their fists opposed to corporate farming. Frankly I don't think they know what they're talking about in a lot of cases. Frankly I don't think you know what they're talking about when it comes to corporate farming. I don't know, I don't know of the multinational corporations that you speak of all of the time coming into Saskatchewan.

The farm land ownership laws in Saskatchewan are such that it makes it extremely difficult, if not impossible, for those operations to be set up. And for members on the opposite side of the House to get up and rail against those kinds of operations — you haven't a clue what you're talking about with respect to them.

There are not the multinational chemical companies that are buying into rural Saskatchewan in any large measure. The Cargill operations are not buying large tracts of land up in Saskatchewan that you would be opposed to and very alarmed at. This simply isn't the case in modern agriculture in Saskatchewan.

And that old National Farmers' bugaboo about those kinds of things happening in this province just is so far off the mark from what is really happening in agriculture, it isn't funny. And many farmers in Saskatchewan, I'm sure, would agree with me with respect to that.

Mr. Minister, getting back to the short-term relief package that has been negotiated with the federal government — a \$1 billion program — you will know that many farmers I think take, I think, great exception at the characterising it as that \$1 billion package. When you see that many of them now are looking at that 400 million of that package as a cash advance program, it

simply is the speeding up of the cash advance program of a few months — when it would be available after harvest, now it's available right now.

So while it will provide some degree of help — yes; while it will provide a measure of hope in some operations — yes, but let's not get too far down the road as to saying that this is a huge windfall for farmers. Because you will know, Mr. Minister, that many people that aren't associated with agriculture don't understand the program, don't understand the detail of the program, don't understand the security provisions of that type of program; don't understand the red tape and everything else that's associated with getting those kinds of programs, cash-advanced programs. And I know I've had many people that aren't associated with agriculture think that this is like receiving a cheque in the mail and there is no strings attached to it. This simply isn't the case.

Many farm operations that are taking cash advances know full well that, and they all will know full well, that there are many, many strings attached to that program, everything from grain inventory that . . . everything to statutory declarations, everything including problems associated with banks at getting the clearance to provide those kinds of . . .

I've heard of many operations right now that aren't taking this cash advance because they know full well that they will have to get priority agreements with their banks in place in order to do that, and that's very difficult considering the problems that they are faced with in their operations right today.

I had a farmer call me a couple of days ago last week saying to me that this wasn't an option for him at all in his farming operation, this cash advance. He's been told by his bank — I think the credit union in this circumstance — that if he looks towards getting a cash advance he will require a priority agreement from the credit union. In this case the credit union has told him that they want their name to be on the cheque, and as soon as that cheque arrives, then that will be used to pay down debts that he has incurred in the years previous. So while it will help in some circumstances, there are problems with it in many circumstances out there.

So let's not try . . . While we don't want to discourage producers from taking these options that are available to them, we want to also be sure that farmers in this province are well aware of the strings that are attached. And there are many. You are signing forms that are several pages long. You're signing priority agreements. You're signing crop insurance declarations. The strings are many, and they are very, very long attached to this program.

So to just . . . For people that aren't associated with agriculture, they think it's as simple as going in and having a cheque written out to you. I assure you it's anything but that. It's an onerous process and it's something that only farmers will want to go through with a great deal of forethought as to what it involves or what kind of security they are providing the Canadian Wheat Board, the federal government, and the Government of Saskatchewan with.

So let's not characterize this too much as a great . . . herald it as a great thing here for agriculture because while it will provide

some stability and help, it comes not without a lot of strings attached to it.

Mr. Minister, the program that we are talking about is the Saskatchewan adjustment program and many farmers are looking at that. They are also looking at concerns — as I raised — with respect to the NISA withdrawals that they have made. In many cases, prior to the changes that have been recently made in the NISA program, farmers withdrew entirely from that program, so I dare say that there are lots of farmers that are going to be faced with income tax problems, even though income was low for them.

In lots of circumstances they'll have 25, \$50,000-plus of income that will be taxable that they may not have been thinking was taxable. So I think that there is reason to believe that there is going to be concern out there, Mr. Minister, about it. And I suspect, as we get closer to the end of the month, we're going to be hearing from many producers about that situation.

And I'm just wondering whether you've made any representations to the federal government with respect to any adjustments or any deferral, as has been done in the past with cattle operations, about deferral programs for taxes?

Hon. Mr. Lingenfelter: — Mr. Chairman, just in a general way I want to indicate to the member opposite that today we issued . . . or the Department of Agriculture and Food issued their first report for the year as it would relate to, in this case, seeding intentions of farmers. And one of the things we've been trying to monitor in order to see whether or not we had a plan in place, again jointly developed by the federal and provincial government, that would see an average amount of acres be seeded. Because we have heard in the southeast part of the province some of the horror stories about many farms not being seeded.

And what I'm pleased to say today is that by the estimations which have come from farmers themselves, the projected seeded acres for this year is 33 million acres, which is about two per cent above the 10-year average. So all indications are that after a lot of hard work by a lot of people, the program that has put in place of cash advances interest free as well as cash from other taxpayers, that in fact an average amount of crop will be seeded this year.

Again if we're to put out a lot more money than it takes to get the crop in, then I think we have to talk about the responsibility as legislators. Because this is not your money and not my money that we're talking about giving out here, it's other taxpayers' money. And if we've got enough money out to get the crop in, which it now looks like we have when we have anticipated 33 million acres, then we've probably got it about right.

But I say again, it's not a perfect science and you're probably absolutely right that there will be a small group of farmers who will not be able to seed their crop for one reason or the other. But that is no different . . . Even in the best of years there were farmers who went bankrupt even when grain was selling for 5 or \$6 a bushel. And we all have known those stories.

But again I don't want to, I don't want to say that everybody is

flush with money. That's not the case. But nor is it the responsibility of every other taxpayer to see that farmers have more than enough to stay in business. And I don't think you're arguing that point.

On the issue of NISA, I find it interesting that while many farmers will have depleted their NISA accounts, the fact of the matter is that as of March 31, 1999 — that's a year ago — there were \$1.142 billion in NISA accounts.

Now you might have expected that the NISA accounts would be depleted in the past year. The numbers I have today would indicate that as of February 1, 2000, there was an increase of \$70 million in NISA accounts to \$1.213 billion in NISA accounts in farmers — and I believe, I asked this to my deputy — but these are in the accounts in Saskatchewan alone. So the NISA accounts far from being depleted, in total have actually gone up by \$70 million in the past year.

Now the discrepancy of course comes in the bottom 30 per cent again where many of those . . . and the difficulty is many of them are the younger farmers and the innovative farmers, who haven't had as many years to build up a surplus in their NISA accounts, have depleted them. And this is the challenge for us, both at the provincial and federal level, is how do we ensure that that group of farmers who are the new, innovative people who are buying the air seeders and using the new technology are defended during this downturn in the grain economy.

Again, I want to say to the member opposite that we should not lead the public to believe that grain prices in every area are so depressed. It's true that in the area of wheat . . . And I say wheat not durum; durum prices are still holding all right and the member opposite, more than anyone, knows that those of us growing durum are doing okay because both he and I are in areas where we're able to grown durum and we've had pretty good crops, and so he and I are able to do all right.

Then in the . . . (inaudible interjection) . . . Well, no, I'd say the member opposite is doing fairly well, and when he says that members opposite, some of them derive the majority of their income from farming, that tells you something about his circumstance if the majority of his income as a legislator is derived from farming.

(1645)

And I agree with him. That's a pretty good income. And there's nothing to be ashamed about. I think people who work hard and make proper business decisions should be proud.

But in today's or last week's *Leader-Post* . . . *Western Producer*, some of the grain prices are staying very solid and as of April 3 of this year, laird lentils, for example, 19 to 20 cents a pound still today. You can contract at 16 cents a pound and 16 cents a pound on lentils is \$9 a bushel, \$9 a bushel.

And so in the areas where we can grow lentils you can guarantee yourself today, if you want to sign on the dotted line with your elevator, \$9 a bushel. In our area, 20 bushel an acre; last year much better than that. And so . . . (inaudible interjection) . . . No, I'm not talking about contracting; you're talking about production. There's lots of areas in the province

that grow 20 bushel an acre of lentils.

I'm not arguing that there aren't difficulties, but I'm saying that you are still able to forward contract mustard. Mustard, for example, you're still able to contract at 12 cents a pound. So at 12 cents a pound, 12 cents a pound, you're still looking in the area of 6, \$7 a bushel for mustard, and so those areas of the province you're able to guarantee yourself on an average crop, and if you look at crop insurance to back it up. And I would agree with the member opposite that we as farmers have to look at different marketing . . . ways of marketing than just the Canadian Wheat Board.

I'm not arguing with the member opposite that the wheat board is the only way to market your grains. I think it is wonderful option of stabilizing income with 50 per cent of your grain in the wheat board. But most of us now do forward contracting and some even go so far as to not use a broker but deal directly with the Chicago grain exchange.

The fact of the matter is, if you look at durum prices and you wanted to buy futures in durum on the Minneapolis market, you could guarantee yourself \$4.40 a bushel for October delivery, US (United States), of durum.

And you can do that and I can do that today. We could go buy futures in durum and guarantee . . . (inaudible interjection) . . . No you can't deliver. But your broker would be very interested in buying some up, and if the grain prices go up, you'll get the benefit. Or you can sell puts, and if the grain prices go down, you can make a lot of money. So there's ways of protecting yourself.

And I agree with some of the things that your president of your riding out in Moosomin says where we can't do the things on the farm the way we used to and you have to do forward marketing and hedging. And you have to understand puts and calls. And you have to be involved and you have to be creative about the way you farm. And even if you do it all right, some of us still won't survive.

But having said that, I think the plan that we've put together will maximize the number of farmers who can get their seed in the ground and maintain a farm. And that really is, I think, what a Department of Agriculture and Food, or legislators — whether they are in opposition or in government — have to feel responsible for.

And to that end again, it's not a perfect plan — the billion dollars of interest free loans — and let me break it out. There's 400 million of interest free loans and 600 million of direct cash payments through AIDA and the other programs. But we shouldn't argue that \$600 million in direct payment from governments, whatever level, that we as farmers shouldn't also say thank you to the other taxpayers who are putting that 600 . . . that is a lot of money. That's a lot of taxpayers' money.

And the interest-free 400 million — interest-free for let's say six months on \$400 million — let's compare that as if you were running it on your John Deere account, Wayne . . . the member from Shaunavon will know. I believe at my John Deere dealer, not the one that you work at, but it's 2 per cent a month. I think that's what's charged for parts.

And so to say that this is nothing, when the parts I need for my air seeder, I don't have to pay 2 per cent a month on my account at the John Deere shop or any other dealership not to be hard on that one. I think the Wheat Pool's the same. I'd have to look. It's either 18 per cent a year or 24 per cent a year on those accounts. The saving of 18 per cent or 24 per cent for six months paid for by the good old taxpayers of Canada, I think is an important part of getting my crop in.

And I mean if we deny that as legislators that the other taxpayers aren't giving a helping hand, and we just say this is nothing and give them the back of our hand, and don't say thank you when we get 600 million in direct cash and 400 million in interest-free loans, what then is the incentive for the other taxpayers the next time we need help to be there for us.

Now you can argue, is it supposed to be more than that? Should it be a billion dollars in cash and 500 million in interest-free loans? You can make that argument, but when our projections are that we're going to get 33 million acres seeded this year which is 2 per cent more than the 10-year average, then I really would argue whether or not putting more money on the dash would be taking it inappropriately from other taxpayers when it wasn't needed to get the crop seeded.

Mr. Boyd: — Thank you, Mr. Minister. I don't think anyone on this side of the House is saying that they aren't thankful that there is some degree of support for the agriculture sector.

We may argue whether it was adequately addressed or whether there's enough or not, but for you to suggest or leave the impression with people that we are simply crying and we're ungrateful as to the support that there has been put into agriculture would be very, very wrong. And I hope that wasn't your intentions with respect to that, Mr. Minister, because you would know very well that that's never been our intention.

Our intention in agriculture has always been to move the system as quickly as possible to a market-driven system. To move the system so that it is sustainable, environmentally friendly. To move it so that we have a system where there is some vision in agriculture so that farmers today can look towards the future far brighter than they perhaps see it right now. Where they can look towards having many other farmers move into the occupation, into the profession, in a fashion that many of us would like to see happen.

Many of us, I think, would like to see sons or daughters or family members take over operations. Many of us, I think, would like to see an expansion in the ag economies of Saskatchewan. Many of us would like to see expanding livestock sector, expanding specialty crop sector, and expanding marketing system in Saskatchewan and indeed, all of Canada.

Many of us would like to see all kinds of changes in agriculture, but to leave the people of Saskatchewan with the impression that they are an ungrateful bunch of rubes out there I think would be very, very wrong. And I hope that you wouldn't be attempting to do that, Mr. Minister, because they are certainly not that.

Many farmers in Saskatchewan look upon the assistance package as a lifeline. There is no question about that

whatsoever. And we believe that the lifeline, while it may be a little bit tattered, is at least a lifeline and we're not ungrateful in any fashion as to that lifeline, and we do indeed say thank you to the taxpayers of Saskatchewan and Canada for what assistance has been put in place.

But when we consider the assistance and we look at the assistance that is available to farmers that we are competing with on an international playing field, you will know, Mr. Minister, that it is gross . . . it is very inadequate. What we are putting in place for farmers in Saskatchewan and western Canada compared to what is in place for an American farmer, or what is in place for a European farmer, and those kinds of comparisons, I think are very valid. When we have to compete in an international arena at \$3 a bushel for our wheat or our other products right now, and they are receiving subsidy that takes their production and takes their values to considerably higher than that, I think there is reason to be concerned about that.

And I can't help but think that when you were making your presentations in Ottawa that is exactly the train of thought that you had at that particular time, but the playing field is very unequal. And even with this latest package it is still very, very unequal compared to . . . and for you now to suggest that somehow or another, the package that you put in place has equalled the playing field and that farmers if they can contract their lentils at 16 cents a pound is somehow or another has . . . we have made up and have equalled the playing field, this simply is wrong.

You will also know that there is a limit to the production of specialty crops in Saskatchewan and in many areas a lot of people feel that we are reaching that limit to the productive levels and the opportunity to increase rotations.

The reason why we are seeing, Mr. Minister, and I hope you know this, the reason why we are seeing more and more acres seeded in Saskatchewan, not as only for conservation reasons, but farmers are moving and putting as much possible land in production as they can. They're pushing their farming operations absolutely to the maximum to try and capture whatever small levels of profit that there are out there. They're doing everything they possibly can.

And many of the farm operations that I know of that once were a 50/50 -- 50 per cent summer fallow, 50 per cent crop -- have now gone to cropping entirely to push their operations to the maximum. And we've been very, very blessed the last number of years in Saskatchewan; probably the last 10 years have been as productive in terms of productive capacity as we possibly could have in Saskatchewan.

But eventually we all know that we are going to be hit in terms of a downturn in the amount of rainfall that we get in Saskatchewan. You will quickly see that productive capacity move in the opposite direction that we would like to. Specialty crops. Yes, absolutely. And farmers have moved as quickly away from traditional crops as possible, but there's a limit to that.

When you move into those specialty crops as well, there's an increase in the cost of production; there's an increase in risk

that's associated with those kinds of things. And while farmers have been accepting of that risk, let's not just hold out the example of one or two specialty crops as the panacea here that is going to turn around agriculture. Because the entire province can't grow lentils. Or the entire province can't grow chickpeas or canary seed or field peas. That just simply isn't the case.

Yes, farms are diversifying, and yes, farmers are doing everything they can to increase the productive capacity of their farms. But on the other hand, Mr. Minister, let's not just simply say that there are no problems in agriculture and bury our head in the sand and suggest that the official opposition is crying foul when they want to try and expand or try and create opportunity in agriculture. Because that isn't the case. All of our members on this side of the House are doing everything we level best can to try and promote agriculture in this province, to try and expand opportunity for agriculture in this province, to try and create wealth in this province, to create opportunity for young people in agriculture.

Every occasion I've had to speak to farmers, every occasion that I've had to speak to young people in Saskatchewan — my remarks are always around the area of optimism and hope and opportunity. And those are the kinds of things that we want to see in agriculture for our farmers in this province, Mr. Minister.

So let's not point fingers over here, saying that we aren't in favour of expansion of opportunity and expansion of optimism for agriculture. We speak from that platform regularly about those kinds of things.

Mr. Minister, the other areas — and I know our time is running very short here — the other areas that we will want to discuss with you the next opportunity that we have with respect to Ag estimates will surround the area of the safety net that is, as you know, is still not adequate, still not there.

Your government promised a long-term safety net a long time ago, and we've still seen nothing with respect to that. And we will want your vision in terms of what that program will involve. Is it an income-stability type program that you are looking at, along the lines of a revenue insurance program? Is it comprehensive and any changes to crop insurance? Is it enhancements to NISA? Is it a long-term safety-net program in its true form, or are we talking about tinkering with the programs that we have today?

Those are the kinds of questions, those are the kinds of questions that we are faced with. Those are the kinds of questions that farmers in agriculture will want from you, Mr. Minister. And that's the kind of discussion that we will want to entertain. And seeing now that we've reached the hour of adjournment, Mr. Chair, I'll take my place; but that's the kind of questions that we'll have for the minister in the future.

Hon. Mr. Lingenfelter: — Mr. Chairman, I just want to say to the member opposite before we close, and when I complete a very, very short comment, I will report progress. I just remind members we should probably not call the clock too quickly for some obvious reasons.

But having said that, it's important that . . . I really want to acknowledge the hurt in rural Saskatchewan, there's no doubt

about it. I agree totally with the member opposite. My point in talking about the package that has been cobbled together and important . . . send signals to other Canadians that we appreciate it as meagre; I agree with you, as meagre as it is as compared to what's being delivered in Europe or the United States, is the fact that I think when people give a helping hand, you have to acknowledge it.

As well I want to make it clear to my friend from the Cypress Hills area who, I think does a great job down in that area, and at the opening of the dealership in Shaunavon recently with many, many farmers out with optimism about seeding. I'm not critical of the dealerships, or even John Deere, for the rates on their accounts they charge. It's standard procedure. As so everyone, or the Sask Wheat Pool, because many of them also have interest free options. If you buy your implement and use it over a period there are many programs they are trying to cobble together to make life easier for farmers as well.

And I want to make this clear. That this really is a big effort by a lot of people to get the crop seeded. And I think we've achieved that with a lot of hard work. Again, there are many people who are hurting.

I just wanted to close on this note in saying that in the projections for this year's seeding, we are expecting a decrease in spring wheat, flax, canola, mustard, and sunflower acreages. And the projections also are at this point, after survey, that seeding in durum, barley, lentils, field peas, and chickpeas area is expected to increase, again acknowledging that it's very limited some of the areas that you can grow these specific crops.

Mr. Chairman, I appreciate your effort and the questions from the member opposite. I just want to say that I would move we rise to report progress and ask for leave to sit again.

The committee reported progress.

The Assembly adjourned at 5:04 p.m.