

The Assembly met at 10:00.

Prayers

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Ms. Julé: — Thank you, Mr. Speaker. I stand today to present a petition on behalf of citizens of Saskatchewan who are certainly very concerned about the exorbitant increase in long-term care services in Saskatchewan. And the petition reads as follows, Mr. Speaker:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately reconsider the exorbitant fee increases for long-term care services in Saskatchewan.

And the signators on this petition, Mr. Speaker, are from Saskatoon it looks . . . Oh yes, and there's one here from Osler also. Thank you, Mr. Speaker.

Mr. Gantefoer: — Mr. Speaker, I rise this morning on behalf of citizens concerned about the tobacco legislation. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to immediately amend tobacco legislation that would make it illegal for anyone under the age of 18 to be in possession of any tobacco products; and furthermore, anyone found guilty of such an offence would be subject to a fine of not more than \$100.

Signatures on this petition this morning, Mr. Speaker, are from Weekes, Lucky Lake, Melfort, and Naicam.

I so present.

Mr. Bjornerud: — Thank you, Mr. Speaker. I also have a petition to present. The prayer reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to work with the federal government, First Nations representatives, and with other provincial governments to bring about a resolution in the Lake of the Prairies situation and to ensure that our natural resources as a whole are used in a responsible manner by all people in the future.

The signators, Mr. Speaker, are from the communities of Esterhazy, Bredenbury, Whitewood, Gerald, Yorkton, Churchbridge, and Langenburg.

Mr. McMorris: — Thank you, Mr. Speaker. I too have a petition to present on the conditions of the highways in this province. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to make the necessary repairs to Highway 35 in the Indian

Head-Milestone constituency in order to prevent injury and loss of lives and to prevent the loss of economic opportunity in the area, Mr. Speaker.

This petition is signed by people from Francis, Colfax, Weyburn, and Estevan.

I so present.

Ms. Bakken: — Mr. Speaker, I rise today to present a petition on behalf of residents of Saskatchewan who are concerned about the crop insurance increase in premiums.

And the petition reads:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the provincial government to halt its plan to take money out of the crop insurance program and hike farmers' crop insurance premium rates while reducing coverage in order to pay off the provincial government's debt to the federal government.

And this is signed by residents of Osage, Weyburn, Fillmore.

I so present.

Mr. Brkich: — Mr. Speaker, I have a petition here signed by citizens opposed to the possible reduction of services to Davidson and Craik health centres.

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to take the necessary steps to ensure that the Davidson and Craik health centres be maintained at their current level of service at a minimum with 24-hour acute care, emergency, and doctoral services available as well as lab, physical therapy, public health, home care, long-term care services available to the users from the Craik and Davidson area and beyond.

As in duty bound, your petitioners will ever pray.

Signed by the citizens from Craik and Davidson.

I so present.

Mr. Allchurch: — Thank you, Mr. Speaker. Mr. Speaker, I rise in the Assembly today to bring forth a petition signed by people in regards to the natural resources. And the prayer reads as follows:

Wherefore your petitioners humbly pray that your Hon. Assembly may be pleased to cause the government to work with the federal government, First Nations representatives to bring about a resolution to the Besnard Lake situation and to ensure that our natural resources as a whole are used in a responsible manner by all people in the future.

And the petition is signed by citizens from Shellbrook, Canwood, Fort Qu'Appelle. And a whole list of names are First Nations trappers in La Ronge. Thank you, Mr. Speaker.

READING AND RECEIVING PETITIONS

Clerk: — According to order the following petitions have been reviewed and received. These are petitions regarding the fee increases for long-term care services, and for the adoption of a fiscally responsible snowmobile policy, and addendums to previously tabled petitions as sessional papers no. 7, 8, 11, 17, 18, 23, and 24.

INTRODUCTION OF GUESTS

Ms. Draude: — Mr. Speaker, I take great pleasure in introducing someone in the House today that's really no stranger to any of us. Mr. Gordon Barnhart is in the Assembly and he's been in charge of the Saskatchewan legislative internship program since its beginning. I'm sure everyone in the House has benefited from his ideas and from his insistence and determination that this program should be brought to the House.

So I'd like all members to join with me in welcoming him into the Assembly.

Hon. Members: Hear, hear!

Hon. Ms. Crofford: — Thank you very much, Mr. Speaker. I'd like to introduce to you and through you to all members of the legislature, three guests that are sitting in your gallery. Mr. Speaker, here to watch this morning's proceedings and determine whether they're film-worthy are Mr. Ralph Brosche and Mr. Alexander Dannenberg, both from Berlin, Germany, and with them is Valerie Creighton, the CEO (chief executive officer) of Sask Film.

Now Mr. Brosche and Mr. Dannenberg are successful independent film producers. They are here in Saskatchewan to meet with potential production partners, and I ask all members to join me in welcoming these gentlemen here today.

Hon. Members: Hear, hear!

Mr. Huyghebaert: — Thank you, Mr. Speaker. On behalf of the official opposition I also would like to invite our guests from Germany to the chambers today. And again, I would hope they are looking seriously at the film production in this province so we can produce a bit of profit from our film industry in Saskatchewan. Thank you.

Hon. Members: Hear, hear!

STATEMENTS BY MEMBERS

Saskatchewan Legislative Internship Program

Ms. Draude: — Thank you, Mr. Speaker. Today the official opposition says goodbye to two young ladies who have proven themselves to be tremendous members of our team over the last three months.

Jessica Waiser and Maria Kurylo have been working in our caucus since January as part of the Saskatchewan legislative internship program. Jessica worked with me and Maria worked with the member from Last Mountain-Touchwood.

Mr. Speaker, these two young women have been an absolute delight for all of us in the Saskatchewan Party caucus and we will miss them very much. We've benefited from their infectious enthusiasm and their ideas and their belief in the future.

After today, all the interns take a short trip to Ontario and when they return, Jessica and Maria will go to work in the government caucus office. On behalf of all the opposition MLAs and our entire staff, I want to wish Jessica and Maria good luck in all their future endeavours.

And, Mr. Speaker, in doing so, we welcome Wendy Mollenbeck and Tim Baker, who will be joining us in a few days.

Mr. Speaker, in its first year, the internship program has proven valuable for all involved and I hope it continues for many years to come.

Some Hon. Members: Hear, hear!

Regina Chamber of Commerce Paragon Awards

Hon. Mr. Thomson: — Thank you, Mr. Speaker. I want to today on behalf of myself and other members of the Legislative Assembly who attended last night's Regina Chamber of Commerce third annual Paragon Awards, I want to congratulate the nominees, the finalists, and the winners of those awards.

These awards celebrate business excellence in our city and last night's awards ceremony certainly highlights the extent to which Regina's business community has grown and prospered.

If there was one recurring theme in last night's speeches is . . . it was that we need to spend more time celebrating Saskatchewan's successes. It was a true pleasure to listen to Christine Stapleton, the head coach of the U of R (University of Regina) women's Cougar basketball team talk about the strength of Saskatchewan people and her Team Saskatchewan approach to leadership on the court and our ability to translate that same attitude in a success in our own community.

Time and again last night, Ms. Stapleton, the award winners, the finalists, and business people talked about the need to leave behind the stereotypical self-deprecating Saskatchewan approach of downplaying our accomplishments and to start celebrating our successes here at home.

On behalf of my colleagues in the Assembly, I want to congratulate the chamber of commerce, the finalists and winners of the 2002 Paragon Awards, and Regina's business community for the successes they have achieved and the work they do in building our economy and making Regina a great place to call home. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Wakefield: — Thank you, Mr. Speaker. I too wish to join in the congratulations to the winners of the third annual Paragon Awards held last night at the Centre of the Arts promoting the spirit of business excellence in Regina. And what a gala evening it was. Business excellence in this province should

always be and is in fact being recognized. Success is contagious.

Nine awards in different categories were presented to the winners selected from 27 finalists, all excellent examples of what can be and what really is achieved in this province.

Congratulations to the double winners: the Phoenix Group, Wascana Flower Shoppe. Congratulations as well to CJME and in partnership with The Salvation Army in the Community Alliance Award. Other winners were the Tourism Saskatchewan, Curves for Women, Partners in Motion, Hotel Saskatchewan.

And a special congratulation to the business of the year, honouring the Phoenix Group, this presentation being made from a guy we all know from Prince Albert. And a special congratulations to Mr. Roger Phillips for receiving this year's President's Award for Outstanding Achievement.

And finally, a special recognition should go to the Regina Chamber of Commerce for bringing the Paragon Awards and this special recognition of business excellence to this city.

Some Hon. Members: Hear, hear!

New Democrat Party Fundraiser

Mr. Van Mulligen: — Mr. Speaker, last night in the home of Tommy Douglas a significant and a reassuring event took place; significant because a packed hall of fervent New Democrats came to hear the Premier speak about the many good things that are happening in Saskatchewan.

We were entertained, Mr. Speaker, by the excellent choir from the Weyburn composite high school which sang for us songs from the *Wizard of Oz*, including the opposition's Grow Saskatchewan mantra, "Somewhere Over the Rainbow," Mr. Speaker.

We were served an excellent and ample meal for \$12 a plate — unlike the \$25 the Sask Party charged for its recent banquet. The NDP, Mr. Speaker, knows value for money.

By the way, Mr. Speaker, there were more people last night in Weyburn at this one event than came to the entire Sask Party secret tour of Saskatchewan. And this fundraiser, Mr. Speaker, occurred in Saskatchewan not Calgary. Reassuring, Mr. Speaker, because in this rapidly changing world it is comforting that some traditions are unchanged and thriving.

People in Weyburn and throughout our province like to come together for good food, good fellowship, and good news. Another tradition we will return to shortly, Mr. Speaker, is an NDP (New Democratic Party) MLA (Member of the Legislative Assembly) for Weyburn-Big Muddy. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Canadian Paraplegic Association Awards

Mr. Gantfoer: — Thank you, Mr. Speaker. Mr. Speaker, and

members of the legislature, last night it was my pleasure to be in attendance at the first Canadian Paraplegic Association awards and recognition dinner here in Regina.

This dinner is to recognize the association's members' accomplishments in a variety of categories and achievements. The guest speaker was Mr. Ron MacLean who is the national honorary chairperson for CPA (Canadian Paraplegic Association). He is the well-known host of Hockey Night in Canada and sidekick to Don Cherry on Coach's Corner.

The event's honorary chairperson was Brad Hornung, a former Regina Pat hockey player and now an NHL (National Hockey League) Chicago Black Hawks scout.

And most importantly, Mr. Speaker, last night's award winners in the following categories were: member volunteer, Bruno Hudolin; career, Daryl Stubel; business development/entrepreneur, Don Terry; female athlete, Collette Bourgonje; technological achievement, Keith Lusyk; male athlete, Clayton Gerein; youth leader, Lisa Franks; volunteer, Brent Gough; and creative endeavours, Carolyn Scott.

Mr. Speaker, I ask the members of the Assembly to join me today in congratulating all of these winners and the many volunteers of the Canadian Paraplegic Association for a job well done.

Some Hon. Members: Hear, hear!

(10:15)

Canadian Gaming Industry Awards Dinner

Mr. Goulet: — Mr. Speaker, the sixth annual Canadian Gaming Industry Awards dinner was hosted by the Saskatchewan Indian Gaming Authority and the Saskatchewan Gaming Corporation at Casino Regina. This dinner recognizes achievements across Canadian gaming and honoured Edmund Bellgarde.

Assuming the responsibilities of the first acting president in 2000 of SIGA (Saskatchewan Indian Gaming Authority) and then president and chief executive officer in 2001, Mr. Edmund Bellgarde has realigned priorities, cut operating costs, and doubled net profits by reaching \$18.6 million. The four First Nations operated by SIGA employ a total of 1,250 people; 71 per cent of these employees are of Aboriginal heritage.

Mr. Speaker, although there are always challenges when creating something new, SIGA represents something very special to First Nations people. SIGA has supported many recreational, cultural, and social events. As an example, I recently recorded a visit to Grandmother's Bay in my constituency in the Churchill River area. The First Nation was having great pride in building a brand new community hall. I asked them where they got their money from. They said part of it, the money came from SIGA.

Mr. Speaker, congratulations to Mr. Edmund Bellgarde and SIGA.

Some Hon. Members: Hear, hear!

Invitation to Cross the Floor

Mr. Hillson: — Thank you, Mr. Speaker. Mr. Speaker, I know how disappointed members opposite were when I resigned from cabinet and crossed the floor to sit in opposition. I understand their feelings of hurt and loneliness. Since then many of my former colleagues have been dumped from cabinet, cast into the wilderness where no manna falls from heaven — or at least not from former United Church ministers.

I say to my former colleagues, they need not be disconsolate. We can be together again over here. They can join me.

Mr. Speaker, my proposal is best summed up in the words of one of the sonnets of Will Shakespeare:

Let . . . (us) not to the marriage of true minds
Admit impediments. Love is not love
Which alters when it alternation finds,
Or bends with the remover to remove:
O, no! it is an ever-fixed mark,
That looks on tempests and is never shaken;
. . . (I am) the star to every wandering . . . (bard),
Whose worth's unknown, although his height be taken.

Mr. Speaker, time is running short so I'll simply say I'm prepared to continue this with members opposite after the adjournment. Thank you.

Some Hon. Members: Hear, hear!

ORAL QUESTIONS

Information Services Corporation

Mr. Wall: — Thank you, Mr. Speaker. For those Saskatchewan taxpayers who by sheer strength of character or maybe therapy have forgotten about the NDP mess with the automation of the land titles, a quick reminder would go as follows.

The NDP government chose to automate our land titles system by creating a new Crown corporation. They estimated the cost of that to be significantly less than \$30 million. A few short years later, the bill they've run up is over \$80 million.

In this year's budget, the Finance minister indicated ISC's (Information Services Corporation of Saskatchewan) borrowing . . . ISC's debt would climb to 60 million from 30 million only one year ago.

Mr. Speaker, the question to the minister is this: how much more money will the NDP pour into their failing land titles system?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Mr. Speaker, let me just correct, let me just correct one error in the member's statement. There were many but let me correct one. And that is that the LAND (Land Titles Automated Network Development project) system is not working.

Let me tell the member that he will know that the LAND

system is working; that the LAND system is working in Regina at the present time; that it will be expanded to Saskatoon shortly. And that since August, Mr. Speaker, of last year over 20,000 title transfers, set-ups, and so on have been successfully processed. And more than 229,000 paper titles have been converted to electronic form.

Mr. Speaker, this is a system that works and don't . . . Perhaps the member doesn't have to take my word for it, Mr. Speaker, he can talk to the president of the Law Society. He can talk to the president of the land surveyor's organization, Mr. Speaker. He can talk to IT (information technology) experts across this province, across this country, in the United States. And he will know it works, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Wall: — Mr. Speaker, Mr. Speaker, there is a lot of people across the province — business people across the province and homeowners — who would disagree with the minister. There's many lawyers, as well, that would disagree with the minister that it's working.

You know last year, a year ago, the minister said there would be two basic activities of the Crown corporation over this year, over this last year. And they were, and I quote from *Hansard*, the minister said: "they intended to get the LAND project up and running."

And they also said . . .

The Speaker: — Order, please, order. Order, please. Order, please. I just ask the members, I just ask the members to refrain from hollering out during the question.

Mr. Wall: — Mr. Speaker, the government said that they may do . . . the minister said in the House he was going to get the LAND project up and running and he was going to market that and other high-tech projects around the world.

Well, Mr. Speaker, on the first count we know that the system is not yet up and running around this province. And so the question to the minister is, how is he doing on the second count? Has ISC made any international sales over the past year?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Well, Mr. Speaker, I think the member said that the system is working — a minute ago he said it isn't working. We know that there's — even he knows, we all know — there's a schedule at implementation which is in place across the province, and we know that that schedule is being followed through.

Let me just remind the member too about the costs of this system. Mr. Speaker, since the system has been introduced the cost, the cost for somebody registering a house . . . \$100,000 house with a \$75,000 mortgage, Mr. Speaker, has been cut in half in this province. And, Mr. Speaker, the cost now is fully a third of what it is in Manitoba and fully, Mr. Speaker, a fifth of what it is in Vancouver.

Mr. Speaker, that goes for commercial enterprises, it goes for

the vast majority of homes in this province, Mr. Speaker. This system is working, this system is said to work by those across the province, across the world, and, Mr. Speaker, just look at the deals we're making with EDS (Electronic Data Systems) and other people who know how good this system is.

Some Hon. Members: Hear, hear!

Mr. Wall: — Thank you, Mr. Speaker. I was listening carefully to the minister's answer. I didn't hear him talk of one single sale that they've made, that ISC has made of their software, you know, Mr. Speaker, but that hasn't stopped ISC officials from travelling around the world.

They have driven . . . travelled to places like Albania, the Ukraine, Germany, Hong Kong, Australia, Orlando, Fort Lauderdale, San Francisco, New York — in fact, Mr. Speaker, ISC's travel bill just over this past year is up at around \$200,000.

To the minister: after all of that globe-trotting has ISC made any international sales?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Mr. Speaker, we should also bear in mind that the kinds of people who come to Saskatchewan to look at this land titles system, Mr. Speaker. We have officials from Scotland, Mr. Speaker. We have officials from Australia. We have officials from Ukraine, Mr. Speaker . . .

The Speaker: — Order, please. Order, please.

Hon. Mr. Axworthy: — So, Mr. Speaker, we have people coming from all over the world to look at this system. And an expert in New Brunswick, in fact one the key players in the New Brunswick system says, Mr. Speaker, there is nothing on the market with ISC's LAND project capabilities, Mr. Speaker.

That is why people are coming to this province to look at this project and, Mr. Speaker, to date we've got consulting contracts around the world which are precursors to selling the system across North America and indeed, Mr. Speaker, in other countries too.

Some Hon. Members: Hear, hear!

Mr. Wall: — You know, Mr. Speaker, it's a stroke of political genius for this Premier to give this file to his chief leadership rival. What better way to make his chief leadership rival look bad than hand him this \$80 million NDP boondoggle, Mr. Speaker?

Some Hon. Members: Hear, hear!

Mr. Wall: — That's what this is. They've taken the taxpayers' credit card, Mr. Speaker, the taxpayers' credit card, they've ran up \$62 billion in debt, they've taken 20 million more dollars from the taxpayers with nothing to show for it. They have promised that the panacea . . . for ISC, the panacea, would be the coming international sales.

Once again, we'll give the minister . . .

The Speaker: — I do appreciate the exuberance but I would like to be able to hear the question.

Mr. Wall: — Mr. Speaker, they've ran up \$62 million on the taxpayers' credit card. They spent an additional 20 million taxpayers' dollars on a system that isn't working right. All along — all along — saying that they would be able to recover the money for the taxpayers by their international sales. It's been several years; how many international sales have the NDP made?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Well, Mr. Speaker, we now seem to be back to the system not working again. That's three changes in about 10 minutes, Mr. Speaker. Let me tell the member that the system is working. Let me just quote one, one reference, from the Moose Jaw Credit Union, Mr. Speaker. The lending services clerk there says, "we couldn't be more pleased with how this system is working."

Let me say, Mr. Speaker, on the theme of the member's questions, it seems to me that the issue is more likely to be that the Leader of the Opposition is setting this member up with stupid questions because he doesn't like him either.

Some Hon. Members: Hear, hear!

Mr. Wall: — Thank you, Mr. Speaker. You know, last year when we asked these questions in the Assembly, when we asked why they had spent all of this money and made no sales, the minister, the minister that was just on his feet said, and I quote, "Well this is the way business works." That's what he said. "This is the way business works."

Mr. Speaker, maybe that's the way NDP business works — you can spend \$80 million and you make no sales — but it's not how the real world business works. Although, Mr. Speaker, there's one similarity between the two: in the real world, when the board of directors of a corporation wastes millions of dollars with nothing to show for it, the shareholders of that corporation fire the board of directors.

Some Hon. Members: Hear, hear!

Mr. Wall: — That is what the taxpayers of this province are going to do to the government. I'm going to give the minister one more chance. Tell us, after \$80 million and all of these years, can you please give us an indication of a sale, a lead, or a projected lead for a sale that ISC has made internationally?

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Mr. Speaker, we knew that the member opposite didn't know how to run a country hall music . . . Country Music Hall of Fame. We knew, Mr. Speaker, he knew nothing about gas prices and how you set gas prices. And, Mr. Speaker, now we know he knows nothing about ISC either.

Some Hon. Members: Hear, hear!

Hon. Mr. Axworthy: — Mr. Speaker, this is a business that requires investment, it requires personal contact, it requires

consulting contracts up front. Mr. Speaker, this company is doing work around the world. Mr. Speaker, it is linked with EDS, one of the largest IT marketing companies in the world, Mr. Speaker. Everybody recognizes . . .

The Speaker: — Order.

Fish and Wildlife Development Fund

Mr. Toth: — Mr. Speaker, my question today is for the Minister of Environment. Mr. Speaker, it is very clear that members of the Fish and Wildlife Development Fund steering committee are not happy with the Minister of the Environment and the NDP about the government's plan to raid their fund for other Environment department programs.

Mr. Speaker, committee members say they weren't consulted, but the minister told this House that she had spoken to Lorne Scott, the Saskatchewan Wildlife Federation, about this very issue on budget day. Well guess what? Lorne Scott doesn't agree with that . . . that the NDP should be using the fund either. He told CBC (Canadian Broadcasting Corporation) Radio this morning that the surplus is needed for large purchases and programs, such as to buy land to protect wildlife habitat.

Mr. Speaker, why is the minister not listening to members of the fund steering committee and insists on draining the Fish and Wildlife Development Fund?

Some Hon. Members: Hear, hear!

(10:30)

Hon. Ms. Lorjé: — Mr. Speaker, we are not draining the Fish and Wildlife Development Fund. Mr. Speaker, as I have tried to say over the last couple of days — I will try it one more time so that perhaps the member opposite can understand it — there was a surplus in that fund. We are using that surplus on a one-time-only basis to fund certain staff in the Environment department who do environmental and habitat protection. The work they do conforms to the mandate of the Fish and Wildlife Development Fund.

Mr. Speaker, we are also transferring money from the Fish and Wildlife Development Fund into the Saskatchewan Wetlands Conservation Corporation to do habitat protection and development — habitat stewardship, that's the purpose of the fund.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, would this fund not be . . . be not something like a rainy day fund?

This fund has been in operation for about 20 years and is mandated to use a percentage of fish and hunting . . . the hunting licence sales to protect wildlife and habitat resources. It has a separate advisory board made up of Saskatchewan people who deeply care about protecting these resources, who are experts in their own right, and who will work outside the political realm toward fulfilling that mandate.

Mr. Speaker, an editorial in *The Leader-Post* this morning says that this move by the NDP, and I quote:

. . . might be permissible, in . . . legal terms, but opens the door to taking money from other funds.

Maybe this is legal. But it doesn't seem right.

Mr. Speaker, Lorne Scott says he and other steering committee members will meet with the government next week and try to convince them not to drain the fund and not to force the fund to pay the half million dollar grant to the wetland conservation program.

Mr. Speaker, will the minister commit today to reverse the decision of her NDP government to drain the Fish and Wildlife Development Fund?

Some Hon. Members: Hear, hear!

Hon. Ms. Lorjé: — I'm going to try it again, Mr. Speaker. We are not draining the fund.

Mr. Speaker, 17.8 FTEs (full-time equivalents) are being funded through the Fish and Wildlife Fund surplus, the accumulated surplus, this year on a one-time-only basis. The Fish and Wildlife Fund remains.

Mr. Speaker, perhaps a little history lesson is in order. Mr. Speaker, this fund has existed for many, many years and this government feels very passionately about working in concert with our partners to ensure we have adequate wildlife habitat, adequate wildlife habitat protection.

Mr. Speaker, \$10 million comes in through hunting and fishing licence fees; 3 million of that, 30 per cent, goes to the Fish and Wildlife Development Fund. Mr. Speaker, in total for resource management for hunting and fishing, this province budgets \$15 million.

Some Hon. Members: Hear, hear!

Provincial Finances

Mr. Krawetz: — Thank you, Mr. Speaker. Mr. Speaker, more and more organizations are raising concerns about the NDP's fudge-it budget. In a letter to the editor in today's *Leader-Post* under the heading, "Concerned about deficit budgeting," Manley McLachlan of the Saskatchewan Construction Association writes, and I quote:

. . . we are . . . concerned that the province is slipping into deficit budgeting.

While the Minister of Finance may choose to describe his budget in other terms, when your expenditures exceed your income that is a deficit regardless of whether you have a line of credit to cover the shortfall.

Is this . . . clear and transparent accounting or does it reflect some of the practices that Enron employed?

Mr. Speaker, why is the NDP using Enron accounting tactics to

try to hide a deficit?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Well I want to say to the members opposite, Mr. Speaker, that I think the letter of Mr. McLachlan indicates that he has a concern about the tendering policies with respect to the work that we're going to have done at schools and universities.

And I want to say this, Mr. Speaker. The tendering will be done by the school boards and the universities according to their policies, and that work will be available to construction industries in Saskatchewan. I think that should clarify Mr. McLachlan's concern.

And while I'm on my feet, Mr. Speaker, I want to say this. If there are any construction companies in this province that find it morally objectionable to do mortgage financing of schools and universities, they do not have to bid on the work, Mr. Speaker.

But I predict that, notwithstanding Mr. McLachlan's expressed concern, that work will be tendered, Mr. Speaker, construction companies will bid on that work, and that work will be done. Because we are going to build schools and build universities in this province over the objections of that opposition, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, it's not just the Construction Association that is concerned about this government hiding a deficit. Here's what the Regina Chamber . . .

The Speaker: — Order, please. Order, please. Order.

Mr. Krawetz: — Here's what the Regina Chamber had to say in their recent newsletter. And I quote:

The government touts that this is their 9th consecutive balanced budget. Nevertheless, we are of the view that the budget (is not Mr. Speaker, it says the budget) is not a true balanced budget given the fact that revenues do not match expenditures and the government's reliance . . . on the Fiscal Stabilization Fund and tapping into Crown profits.

Mr. Speaker, the auditor says the NDP is hiding a deficit; the bond rating agencies say the NDP is hiding a deficit; the Construction Association says the NDP is hiding a deficit; and the Regina Chamber of Commerce says the NDP is hiding a deficit. Everyone in Saskatchewan says the NDP is hiding a deficit.

Mr. Speaker, why is the NDP hiding that deficit?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, nothing could be clearer than what we are doing in terms of drawing from the Fiscal Stabilization Fund. I stood in this legislature on budget day and said, Mr. Speaker, that our expenditures would exceed our revenues and we would draw down the Fiscal Stabilization

Fund.

And what this opposition has to answer, Mr. Speaker, is this: if they do not believe that the schools should be built and the roads should be fixed, Mr. Speaker, and the health care system should have more money, if they truly believe that we should not be drawing on the Fiscal Stabilization Fund to meet the needs of the people of this province, they should come clean with the people of the province and tell us what they would cut out, Mr. Speaker.

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Because day after day they stand in their places and say we should spend more money on crop insurance, more money on this, more money on water, more money on that. It's a bunch of phony-baloney, Mr. Speaker, and the people know it.

Some Hon. Members: Hear, hear!

Mr. Krawetz: — Mr. Speaker, there is one way. There is one way to resolve this debate. The NDP could follow the auditor's recommendation. They could follow the lead of seven — seven — other provincial governments and give us the complete picture of the government's finances. They could present their budget based on summary financial statements.

Mr. Speaker, immediately after question period, I will introduce The Government Accountability Act, which would require the government to present a budget based on the complete picture of provincial finances, so it would never again be possible for the government to fudge the budget and hide a deficit.

Mr. Speaker, if the NDP really believes in open, accountable government will they support this legislation?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Well, Mr. Speaker, putting those people in charge of financial accountability would be a little bit like putting Colonel Saunders in charge of the chicken coop.

I want to say this, Mr. Speaker, because this is how phony the opposition really is.

When that member who was just up, Mr. Speaker, was asked on CJME radio, well, doesn't the government really publish summary financial statements and give the whole picture, this is what he said, Mr. Speaker. He said, I believe so, yes; when you look at the two together that is the public accounts, I think you get a complete understanding of the province's financial picture. Now that's what he says on . . . (inaudible) . . . Then he comes in and tries to tell the people that we're hiding something, Mr. Speaker.

But the real point is this. If this opposition believes that we should not drive down the Fiscal Stabilization Fund, money that has been saved to pay for programs — \$225 this year — they should say what they would cut.

Some Hon. Members: Hear, hear!

SaskEnergy Rates

Mr. Stewart: — Mr. Speaker, my question is for the minister responsible for SaskEnergy. In the NDP's own 2002-2003 budget documents, they forecast to earn revenues from the sale of natural gas in the amount of \$3 per gigajoule. They forecast that amount will remain stable through this year and the next two years.

Mr. Speaker, SaskEnergy is presently charging Saskatchewan families \$5.44 per gigajoule for the energy they use in their homes and businesses. My question to the minister: when will SaskEnergy lower its prices to Saskatchewan consumers to better reflect their actual costs of energy?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, this is nothing new. And I want to remind the House and the people of the province that last year at this time the opposition looked at the budget figure and they said, oh, the government has underestimated the price of natural gas because, they said, the government is saying the price of natural gas will go down. That's what they said, Mr. Speaker.

I said, look, this is the information that we get from the Department of Energy and Mines. This is what we believe will happen. As it turned out, we were right.

And, Mr. Speaker, as they talk about natural gas prices, then they went on and advised the people of the province that what we should do last year is lock everybody in at 5 or \$6 for five years — something that would have cost the people of Saskatchewan tens of millions of dollars each and every year, Mr. Speaker.

So when it comes to knowing who's more accurate, clearly we have been more accurate on this file, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Stewart: — Mr. Speaker, this government and this minister have stated repeatedly that SaskEnergy natural gas rates are set on a cost/recovery basis only and that any profits generated to SaskEnergy will be derived from the distribution of natural gas.

Mr. Speaker, is this minister now admitting that a large component of SaskEnergy's gas rate is nothing more than a tax imposed upon natural gas users in this province for no other purpose than to pad, to pad the profits of SaskEnergy?

Some Hon. Members: Hear, hear!

Hon. Mr. Cline: — Mr. Speaker, there is nothing that that member could say that would be further from the truth. The truth of the matter is, Mr. Speaker, that last year not only did SaskEnergy not charge the customers what it cost to get the gas, SaskEnergy subsidized the customers to the tune of, I think about 70 to \$80 million, Mr. Speaker, which is one of the reasons why SaskEnergy's profits are down this year.

Mr. Speaker, SaskEnergy has the best record in Canada — with

the possible exception of Medicine Hat, which owns its own gas utility also — in providing people with natural gas at very competitive rates, Mr. Speaker. And we're going . . . even though the opposition wants to privatize SaskEnergy and privatize SaskTel, we're going to keep owning those Crown corporations and providing that service to the people, Mr. Speaker.

Some Hon. Members: Hear, hear!

The Speaker: — Order, please. Order. Order. Order.

(10:45)

INTRODUCTION OF BILLS

Bill No. 202 — The Government Accountability Act

Mr. Krawetz: — Mr. Speaker, I move first reading of Bill No. 202, The Government Accountability Act.

Some Hon. Members: Hear, hear!

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

Bill No. 25 — The Cost of Credit Disclosure Act, 2002

Hon. Mr. Axworthy: — Thank you, Mr. Speaker, I move that Bill No. 25, The Cost of Credit Disclosure Act, 2002 be now 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.

STATEMENT BY THE SPEAKER

Ruling on a Point of Order

The Speaker: — Order, please. Will the members come to order, please.

Yesterday, the Opposition House Leader raised a point of order concerning the use of unparliamentary language by the Minister of Agriculture and Food during question period. In particular, the minister was accused of using the word "misuse" in reference to the member for Saltcoats.

Having reviewed the verbatim of yesterday's question period, I can find no instance of the word "misuse" being used in any context. Therefore I find the point of order not well taken.

But before closing on this point of order, I would like to clarify the issue of what does and what doesn't constitute unparliamentary language. In making his point of order the Opposition House Leader made reference to a list of words at paragraph 489 of Beauchesne's *Parliamentary Rules and Forms* 6th Edition which have been ruled as unparliamentary when used in reference to a member.

I would like to direct all members to paragraph 491 of the same authority which states, and I quote:

No language is, by virtue of any list, acceptable or unacceptable. A word which is parliamentary in one context may cause disorder in another context, and therefore be unparliamentary.

By way of illustration, if members wish to make reference to the lists published in Beauchesne's, they will find some words on both the lists of parliamentary and unparliamentary expression.

I hope this clarifies practice in this regard.

Hon. Mr. Serby: — Mr. Speaker, with leave of the Assembly to move a motion in regards to the Standing Committee on Agriculture.

Leave granted.

MOTIONS

Standing Committee on Agriculture Meetings

Hon. Mr. Serby: — Thank you, Mr. Speaker. I move, seconded by the member from Watrous, this motion:

That the Standing Committee on Agriculture be authorized as follows:

To receive a representation on behalf of the Legislative Assembly from the Action Committee on the Rural Economy regarding its final report, and further, to this purpose; that the said standing committee be authorized to conduct its proceedings in the Legislative Chamber, except when the Assembly is sitting, and that the committee proceedings be televised by the Legislative Assembly on the Saskatchewan Legislative Network, and further that the Legislative Assembly do also broadcast the audio of the proceedings on the Internet via the Legislative Assembly of Saskatchewan web site, and;

That upon receiving the final report of the ACRE Committee, the standing committee shall both make a report to the Assembly to the effect and table a copy of the ACRE Committee's Final report as soon as is practicable.

and,

To examine and make recommendations to the Assembly with respect to the agricultural land holding provisions as set out in The Saskatchewan Farm Security Act, and;

That, for the purpose of this examination, the said standing committee shall have the authority to engage such advisors and assistants as are required and, in accordance with the provisions set out in Rule 94(4), permit membership on the committee to be transferable.

Dated April 12, today, Mr. Speaker, we move the motion . . . motion moved by the member from Yorkton, seconded by the member from Watrous. We move the motion, Mr. Speaker.

Motion agreed to.

ORDERS OF THE DAY

WRITTEN QUESTIONS

Mr. Yates: — Thank you, Mr. Speaker. By leave I request permission to table written responses for questions 89 through 98. And as well as per our commitment last week and those questions ordered, Mr. Speaker, we are prepared to table those questions this morning as well, Mr. Speaker.

I'd just like to point out to the members of the House that we have to date had with the subquestions asked and individual questions 6 or 700 questions asked, and I would like to thank all of those civil servants who have worked literally hundreds of hours to put forward the answers to these questions. And, Mr. Speaker, they have worked very, very hard. Thank you.

Some Hon. Members: Hear, hear!

The Speaker: — The responses to 89, 90, 91, 92, 93, 94, 95, 96, 97, 98 have been tabled. Also the responses to questions of last week have been tabled as well, earlier this week.

GOVERNMENT ORDERS

SECOND READINGS

Bill No. 13 – The Speech-Language Pathologists and Audiologists Amendment Act, 2002

Hon. Mr. Nilson: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to move second reading of The Speech-Language Pathologists and Audiologists Amendment Act.

The government has over the past year worked closely on these amendments with the Saskatchewan Association of Speech-Language Pathologists and Audiologists. I wish to thank Orlene Martens, the association president, and her colleagues for all their dedicated hard work in developing these amendments.

I would also like to acknowledge the vital role speech-language pathologists and audiologists play in our health care system and in serving the health needs of Saskatchewan people. As part of a comprehensive team of rehabilitation specialists they evaluate and treat people who have speech-language or hearing disorders.

Their experience, insight, and professionalism are essential to building the health care system we want for this province. I applaud them for their energy, enthusiasm, and commitment.

Mr. Speaker, the amendments I put before the Assembly today are proposed to give the public a greater voice within the Saskatchewan Association of Speech-Language Pathologists and Audiologists. The changes to the Act, though small, are significant in several ways.

First, this Bill proposes increasing the number of public representatives on the council of the Saskatchewan Association of Speech-Language Pathologists and Audiologists. The proposed amendments will increase the number of public representatives from one to three.

This increase in public involvement will allow for one public representative to sit on the council's complaints and investigation committee and another public representative to sit on the discipline committee.

This amendment will also extend the representatives' term of office from two years to three years.

Increasing the number of public representatives will enrich and enhance the way speech-language pathologists and audiologists serve the people of this province.

These amendments, along with others concerning administrative details, such as their annual report and membership list, are proposed to make the Act consistent with other Saskatchewan health profession legislation.

Mr. Speaker, as part of our government's commitment to quality, accessible, and responsible health care services for the people of Saskatchewan, we believe it is important to bring these amendments to the House today.

Mr. Speaker, I'm pleased to move second reading of The Speech-Language Pathologists and Audiologists Amendment Act. Thank you.

Some Hon. Members: Hear, hear!

Mr. McMorris: — Thank you, Mr. Speaker. Mr. Speaker, Bill No. 13, The Speech-Language Pathologists and Audiologists Act, which is a mouthful, is an Act that, after a little bit of reviewing is, is more or less a housekeeping Bill.

Some of the ideas that, just listening to the minister mention about increasing the number of public representatives on the board and extending their term — from all the comments that we've heard is the right direction to go — is received with no hesitation from the groups that we have talked to, the few groups that we have talked to.

So, Mr. Speaker, I think we would like to just have another look at this Bill and make sure everything is according to the . . . what the people in that area are interested in and it goes in the right direction. So, Mr. Speaker, at this time I'd move to adjourn debate.

Debate adjourned.

Bill No. 20 — The Consumer Protection Amendment Act, 2002

Hon. Mr. Axworthy: — Thank you, Mr. Speaker. Mr. Speaker, I rise today to move second reading of The Consumer Protection Amendment Act, 2002.

Mr. Speaker, the main purpose of this Bill is to update and harmonize Saskatchewan's consumer protection legislation in the area of electronic commerce. With electronic commerce becoming an increasingly important part of the economy, adequate consumer protection for transactions taking place over the Internet requires that current consumer protection legislation be updated. As Internet shopping comes with ambiguities that do not exist in other forms of commerce, additional parameters

are needed to ensure that on-line customers are protected.

On May 25, 2001, federal, provincial, and territorial ministers responsible for consumer affairs endorsed an Internet sales contract harmonization template. The template is to become part of consumer protection legislation throughout Canada.

Mr. Speaker, today's Bill implements the provisions of the Internet sales contract harmonization template and will put in place the legislative framework to do a number of things: to require Internet sellers to disclose certain basic information to consumers to ensure that consumers can make informed decisions before they make Internet purchases; to require Internet sellers to provide consumers with an express opportunity to accept or decline the contract; and to correct any errors immediately before entering into the contract.

Mr. Speaker, it'll also require Internet sellers to disclose information in a clear and comprehensible manner and make it accessible in a manner that ensures that consumers have access . . . that the consumer has access to the information and is able to retain and print the information. Also, Mr. Speaker, it will require Internet sellers to provide a copy of the contract containing required information within 15 days after the consumer enters into the contract.

Also allow consumers to exercise cancellation rights in certain circumstances; for example, if a seller fails to disclose the required information or to deliver the goods or services on time.

And finally, allow a customer who makes a purchasing . . . who makes a purchase using his or her credit card, to obtain a refund from the credit card company if an Internet seller fails to provide a refund after the consumer has cancelled the purchase.

Mr. Speaker, the proposed amendments also provide penalties for non-compliance with these provisions. The penalty provisions will allow for effective regulation and improve enforcement of the harmonized provisions.

Today's Bill also includes provisions which limit a consumer's liability for transactions where a credit card is lost or stolen. And it also provides protection against unauthorized use of credit card information.

(11:00)

Mr. Speaker, the introduction of this Bill is another important step towards harmonizing consumer protection legislation across Canada. And these proposed amendments will provide Saskatchewan consumers with additional protection when making purchases on the Internet and will eliminate some of the uncertainties that both consumers and businesses encounter when buying and selling on-line.

The proposed amendments will also ensure that Saskatchewan consumers will have the same level of protection as consumers in other provinces and territories. Mr. Speaker, these amendments have been the subject of widespread national consultations. The Saskatchewan branch of the Consumers Association of Canada has indicated its support for the proposed amendments.

And finally, Mr. Speaker, I'd also note that valuable consumer information, including information about shopping safety on-line, is available on the Saskatchewan Justice Web site at www.saskjustice.gov.sk.ca, Mr. Speaker. And a copy of the pamphlet, *Shopping Safely Online*, is also available by contacting the Department of Justice.

Mr. Speaker, I'm pleased to move second reading of An Act to amend The Consumer Protection Act.

Some Hon. Members: Hear, hear!

Mr. Toth: — Thank you, Mr. Speaker. Mr. Speaker, I would like to just take a few moments to respond to the movement of The Consumer Protection Amendment Act, 2002, and make a few comments.

However, Mr. Speaker, I want to assure you as well that our caucus will be adjourning this, this . . . for the time being so that we can take a further look at it.

But the comments I want to make in regards to protecting consumers regarding electronic trade is . . . no doubt that over the past number of years there's been a significant move amongst consumers to move into the electronic trade . . . trading field with the advent of the computer and the technology that we now have available to us; and the ability to access programs by the Net and the fact that — as we have seen over the past number of years — the ability of unscrupulous individuals to abuse the rights and privileges of individuals who might be accessing a lot of the electronic mail that is available to us today.

And, Mr. Speaker, I think I can say, and the minister might even agree with this as we get into further debate, that while protecting measures are being put in place, and this piece of legislation is hoping to address some of the concerns that have brought . . . been brought to the government's attention to date, the ability of individuals to access computer programs and to access individual files, pieces of legislation may not necessarily address all of the problems we have out there. And I think the government's quite well aware of it.

But it's important that governments take some leadership and that legislators take some leadership to try and bring into focus protective measures that would protect the consumer. And it's imperative that these protective measures be brought in also at a national level as well.

It's not simply that easy for one province, if other provinces don't act and the federal government doesn't take the point of acting to protect the consumer in regards to the electronic trade area and the ability of individuals to abuse those privileges that they have, and accessing the electronic area of commerce so that the consumers are treated fairly. And when a consumer signs on to a sales pitch that the consumer knows exactly what they're going to have, or has some very solid information that they can access before they sign on or . . . to enter into a contractual agreement with an individual by the electronic medium.

So, Mr. Speaker, it seems to me that there are a number of areas that need to be looked at very carefully, very closely, and this is

a piece of legislation that certainly is welcome, that is necessary. However I think we need to take the time to review what the legislation hopes to accomplish, intends to accomplish, and see whether or not there are other areas that we could even bring forward to government as we move through the total debate to guarantee the safety of the consumer in regards to electronic commerce.

And therefore at this time, Mr. Speaker, I would move to adjourn debate.

Debate adjourned.

COMMITTEE OF FINANCE

General Revenue Fund Agriculture, Food and Rural Revitalization Vote 1

Subvote (AG01)

The Deputy Chair: — Would the minister please introduce his officials.

Hon. Mr. Serby: — Thank you very much, Mr. Chair. This morning I have with me a number of officials. And seated to my immediate right is the deputy minister, Mr. Gord Nystuen. Directly behind Mr. Nystuen is Mr. Jack Zepp, who is the director of administrative services branch. Behind me, Mr. Chair, is Mr. Hal Cushon, who is the assistant deputy minister of policy and financial services division; seated directly to my left is Mr. Ross Johnson, who is the budget officer with the administrative services branch.

And then in the back row, Mr. Speaker, behind the bar, is Ms. Mary Ellen Carlson, who is the assistant deputy minister of Agriculture; Louise Greenberg, who is the assistant deputy minister of programming and services division; and Mr. Doug Matthies, who is the general manager for Saskatchewan Crop Insurance Corporation; Mr. Greg Haase, who is the director of the lands branch; and Mr. Dave Boehm, who is the director of financial programs branch, Mr. Chair.

All of my officials are here; my department is all here today, Mr. Chair.

Ms. Harpauer: — I'd like to join the Minister of Agriculture in welcoming his officials here today. And today most of our focus on this side of the House is going to be on crop insurance. There's no doubt that's what we're getting more of the phone calls from in our offices.

And this year more than ever, these are not particularly happy phone calls. The producers of the province are somewhat upset with the crop insurance program once they got their forms and did the mathematics and what it's going to cost them.

And there's no doubt, Mr. Chair, that on both sides of the House that we agree that the farm families in this province are facing more severe challenges than ever before. The commodity prices are remaining low and the input costs are continuing to rise on an ongoing basis.

And the federal government for all intents and purposes appears to have all but abandoned the producers in the province and their safety net programs. And I'm referring to AIDA (Agricultural Income Disaster Assistance), which was followed by CFIP (Canadian Farm Income Program), are flawed to say the least and they've failed to meet the needs of the producers of the province.

And along with the depressed commodity prices, the farmers of Saskatchewan have experienced the worst drought in the history of the province, and they fear that they are going to be facing yet another drought. And in spite of all that, the federal government is not going to extend their C-SAP (Canada-Saskatchewan Assistance Program) program.

And although it wasn't really adequate to meet the needs that we have in our province, at least it was money in the farmers' pockets in the spring before seeding, and they needed it the most. And we always appreciate any assistance that we can get from the federal government.

But you know there's no doubt the industry is reaching a peak of desperation and we need extra assistance now more than ever. And it's unfortunate, but along with the federal government, it appears as though the provincial government in all realistic terms has also abandoned the producers of the province.

The elusive safety net program that the NDP has promised in the last number of budgets has never ever materialized. And now at a time when agriculture is struggling, there may be another drought, the input costs are high, commodity prices are low, the NDP have basically gutted their insurance program.

And they promised repeatedly . . . the minister has promised a number of times in a number of formats around the province that he's going to enhance the crop insurance program. So could the minister please tell myself and the producers of the province here, today, how the 2002-2003 crop insurance program has been enhanced and how it's identified the needs of the producers in this province.

And I'm sure everyone would like to hear today how the new premium structure of the 2002 and 2003 crop insurance program recognizes the fact that these are particularly difficult times and the producers can hardly withstand increases in their input costs.

Hon. Mr. Serby: — Mr. Chair, to the member, I very much appreciate the comments that you have made and your coverage, sort of, of the waterfront as I would suggest reflects somewhat accurately the kinds of pressures that Saskatchewan farmers have been facing now for several years.

And on this side of the House, we've attempted — not only through the efforts of the Government of Saskatchewan but in partnership with farm organizations and producer groups and also with our colleagues both to the east and west; particularly Manitoba and Alberta and, to a large degree, with our friends in Ontario — to work collectively . . . and for that matter, even our friends in Quebec — to work collectively in trying to move a new strategy as it relates to what we're going to do with agriculture in Saskatchewan and in Canada over the next

decade.

Now I know that there has been some criticism from that side of the House from time to time that asked the question about what is it that has happened and what kind of work have we done in terms of trying to capture some stability and security for farmers across the province. And I want to just say . . . and I think important for the record and the question that you asked, what will Saskatchewan farmers . . . what are Saskatchewan farmers thinking and expecting over the next little while.

Well over the last two years and given, for sure, last year when in fact we recognized that we had a significant drought coming in this province, we made a representation to the federal government with farm organizations and said, way back in November of the year 2000, just before the . . . just after the federal government had completed its election campaign. And we said to them, we needed to have an additional \$200 million for farmers or additional billion dollars for Saskatchewan and Canadian farmers to assist us with emergency planning, because we did not have and we're working on a national strategy in terms of a national agricultural policy.

And the federal government said to us, not just to me but to provincial ministers across the nation, that there wasn't any ability for them to provide any more new dollars.

And as the member will recall, I called a meeting in Saskatchewan of which five provincial ministers attended directly: ministers from Quebec, Alberta, Ontario, and Manitoba, and myself. And the deputy ministers, also from various different provinces, were at this meeting. And our approach, Mr. Chair and Madam Member, was to encourage the federal government to look at the billion dollars that we were looking at.

And clearly, what we were successful in doing as a collective group of ministers is to ensure that the federal government not only heard us, but then, through the work of the Canadian Federation of Agriculture and farm organization and groups and leaders here, we were successful last year in levering out a half a million dollars . . . or half a billion dollars for Canadian farmers.

(11:15)

Now from time to time I hear people on that side of the House — I've not heard you on this yet, Madam Member — but on that side of the House that people say to us, well you didn't get the billion dollars that you were looking for for Saskatchewan. Well we were looking for a billion dollars, we were looking for a billion dollars, yes, we were looking for a billion dollars for all of Canada. And we were only successful in getting as a group of ministers only the 500 million. So we're able then to add to the C-SAP program last year about \$200 million.

At the same time we talked a lot last year about the importance of water, the need for water. We in this province did a couple of things as it relates to the livestock industry. We made through . . . we made assertions through our department with the folks from Ducks Unlimited and we met with the Saskatchewan Wildlife Federation to see whether or not we could get some of their lands across the province for grazing for livestock

producers and were successful in securing some of those arrangements. Took some of our own Crown land, opened it up for producers last year so that in fact they could graze on it to assist them with the drought piece.

And there was continued concern about whether or not the province would be putting any money into the drought file. And we said that we would try and match or try to provide some additional funding, Madam Member, to the . . . to farmers. And so as we lobbied the federal government for additional money for water, the federal government said to us that there wasn't any money that they were going to put in.

But through our persistence efforts, Madam Member and Mr. Chair, we were able to lever out of the federal government \$1.5 million for drought last year. And some would say that wasn't enough and we would agree that wasn't enough. We asked for \$5 million but they only provided to us a million and a half.

And in an unprecedented way we also contributed by putting a million and a half dollars in as well. And so we were able to put into the water fund last year, to PFRA (Prairie Farm Rehabilitation Administration), an additional \$3 million. So when you look at sort of hardship that farmers faced last year, we were able to come to their support on a variety of different fronts.

Now the member asks me this year about what we did with the crop insurance fund and the crop insurance program. Well, as the member will recognize that in the fall of last year I suggested to the federal government that we should have in Saskatchewan an additional \$200 million injection from the federal government to assist us with safety nets, of which our intent was to take the money and put it into the crop insurance fund to grow the crop insurance in such a way of which we described it in our package, which is the package that we delivered to Ottawa back in February.

Now as the member knows we were not successful in getting the \$200 million. And the rationale from the federal government was that when you look at net incomes in Canada last year for farmers across the country and take a look at what Saskatchewan's net farm incomes were at the end December of 2001, they were projecting . . . they're recorded at somewhere in neighbourhood of 1.2, \$1.3 billion dollars; given what they usually are around \$500 million.

So the federal government's response to us was no more new money for Saskatchewan farmers or for the provincial government to try to match. And accordingly, we didn't get the \$200 million, leaving us then with having to make some decisions about what you do with the crop insurance program in a year where you don't get the up . . . where you don't get the uplift in the money.

Now I've listened carefully over the last several weeks here in the House where members have stood on their feet, your side of the House, and have said that somehow the spot loss hail insurance which we de-insured this year or removed from the program and made it available for private sector to sell the product — and through the course of our questioning I'll share with you a letter that I have from the Canadian Crop Hail Association which I know that you'll be interested in hearing —

and so we took the spot loss hail portion out and took that money, which was about \$35 million, seventeen and a half federal/provincial match, and we reinvested it back into the crop insurance program.

I have, on record here today, the member from Kindersley when he was here, Mr. Boyd, make a speech during the budget presentation saying that the \$17 million that we had of Saskatchewan money we sent back to Ottawa. And then I had, a couple of days ago, the member from Saltcoats stand in his place and talk about how we took the money and sent it back to the good folks in Ottawa.

Well the reality is, Mr. Chair, is that we didn't send any money back. We didn't send Saskatchewan's share back and we didn't send the federal share back. That \$35 million or \$34 million, Mr. Chair, was reinvested right back into the crop insurance program.

And we shouldn't be out talking to Saskatchewan producers about things that are not factual. Because the facts are that the money was reinvested back into the crop insurance program.

Now the question is, that the member asks, is the crop insurance program adequate this year for producers in our province? Well clearly, from the position that we've taken for the last 18 months, that the crop insurance program is not adequate; that we wanted to enhance the crop insurance program. And that our efforts over the last several months have been to enhance that, in partnership with our Alberta and Manitoba friends, to build a made-in-Saskatchewan package.

And today we . . . in order for us to meet the obligations, at least of our existing crop insurance program, we've had to de-insure or remove the spot loss hail, take those revenues and apply them to the sustenance of the current program. And we rolled that program out now about two weeks ago and are waiting to see what the outcome at the end of the day will be in terms of the numbers.

My expectation will be — or assumption is — that we'll see a crop insurance program that will be similar in terms of uptake to what it was last year. You'll have as many producers who will buy that. I know some members on your side of the House don't believe that. But I can tell you that to date, as we monitor what's happening on the crop insurance file, the numbers of the people who are applying to the program are unchanged in terms of what they were last year.

So the levels . . . (inaudible interjection) . . . Well, I'm telling you what I'm, what I'm getting from my crop insurance officials — that the numbers are consistent with what they were last year at this time of the day.

And further, I can tell you that on the spot loss . . . on the forage program, it's now fully enrolled in and on the pilot project as it relates to the crop sector, we're at about three-quarters filled now.

So I know that the program doesn't meet the kinds of expectations that we hoped it would have this year. It's part of our national strategy and my interest will be to try to build a stronger crop insurance program as we move ahead.

Mr. Bjornerud: — Thank you, Mr. Chair, and welcome to your officials, Mr. Minister. Mr. Minister, you talked about the numbers being very similar to last year in crop insurance, but you must remember that in order to get the cash advance you have to be in crop insurance. So many farmers — in fact, most farmers — out there that are relying on the cash advance have no choice but to take crop insurance, so I think that's a very deceptive number.

Mr. Minister, you talked a few minutes about that we were deceiving the public, and you were talking about the share that the federal government puts into crop insurance in the spot loss hail and what the provincial . . . Could you give me a breakdown of how many dollars the federal government put in, in 2001, the provincial government put in, in 2001, and what the farmers share was in 2001, just for spot loss hail we're talking here?

Hon. Mr. Serby: — . . . to the member. This was one of the questions that the member had asked and we provided the information, I think, about a week or so ago. And the producers' portion was — to the Saskatchewan . . . spot loss hail for 201 — was the producers paid \$23,000,313. And the Saskatchewan portion was 17.484 million. And the Canada portion was 17.484 million. So when you look at what the producers paid, it was at 40 per cent. And the governments of both Saskatchewan and Canada put in 30 per cent in 2001.

Mr. Bjornerud: — Thank you, Mr. Minister. So my numbers were right. That was the numbers I had. I just wanted to confirm that.

You said yesterday in one of your responses, Mr. Minister, that the provincial share would be reinvested in Saskatchewan agriculture, but you didn't go far enough to tell us as to where that is being reinvested.

Could you now today tell us where you're putting that money and where, actually whether the farmers of Saskatchewan will ever receive any benefit from it?

Hon. Mr. Serby: — Mr. Chair, to the member, the 35 million — if that's the number we could use because it's almost rounded to that — the 35 million, the federal and the provincial share, went directly into the crop insurance program.

So what you see today in terms of our Saskatchewan crop insurance program — which includes the risk management of the entire package, which includes the crop sector, includes the forage sector, includes now the new rainfall program, and includes the administration of the crop insurance program — so when you take a look at what the entire cost to the crop insurance program is today, that \$35 million that came out of the spot loss hail sector went directly into the provisions as it applies to the entire package of the crop insurance program.

It didn't go to one. The question is, did it . . . was it directed to one particular sector of the program? It was not. The \$35 million would have made its way across the entire piece of the crop insurance program.

Mr. Bjornerud: — Well thank you, Mr. Minister, but I find something really odd here. You needed an extra \$35 million this

year to put forth our crop insurance program that we have this year, and yet . . . I'll just give you an example, Mr. Minister, of the crop insurance premium comparison in risk area 11, where the rates have all gone up for many of the crops. The premiums have gone up for the farmers. And I'll just list some of them for you.

Hard red spring, increase in premium of 32.9 per cent. It goes on and on. In fact it even up here for lentils on stubble, the cost has gone up 64 per cent. And all of these numbers have gone up.

Why is it that all of sudden this year it takes so many more dollars to administer crop insurance when actually you haven't got spot loss hail, the premiums are higher, and I certainly haven't seen too many farmers out say there that the coverage has improved a whole lot.

I'd like to know where the extra cost has come from and why it needs this extra influx of money at a time when there's a drought coming in this province and farmers need this plan more than they've ever needed it before probably.

Hon. Mr. Serby: — Mr. Chair, to the member. Not only did we take a portion of the 35 million or take the 35 million and transplant it fully into the delivery of the crop insurance program this year, the provincial government also added 14 million brand new dollars of its own to the program.

Now the member makes the case, and I tried to reiterate this yesterday or ensure that the member understood this yesterday and will again today. When you take a look at what the liabilities coverage per acre is — 201 versus 202 — and I'll just take some of the grains and oil seeds because those are the ones that I think are important for us to talk about here because there's some assumption here that the level of coverage has not gone up.

But the level of coverage, for example, on the hard spring wheat has gone from \$83 — and this is, I'm using the 70 per cent level now — from \$83.54, it's gone to \$90.01. So that's what the coverage is. On durum it's gone from \$79.80 to \$96.55 is what the coverage is per acre. The barley has gone from 66 to 79. Oats has gone from 49 to 67, and the flax has gone from \$61 per acre to \$90 per acre, and canola has gone from \$81 to \$119. So you see that the level of the coverage per acre has gone up.

Now the member makes the point that so has the premium. The premium has also gone up. And of course the premiums reflects the fact that you have an increased coverage per acre. And secondly, the value of the commodity today is better than it was a year ago. And thirdly, what's happened here is that the federal share of the funding has not been incorporated here because what the federal government has done is that it has not put in its level of funding that they should have this year.

On the national formula, as the member will know, because we were together when we made the presentations to the federal ministry back a year and a half ago or so, where we said that we want the formula from 60/40 to change. And the federal government has said to us, no, the 60/40 portion will stay.

So for the safety net package we have today I believe about

\$195 million. When you take a look at the share that the federal government puts in this year, our share is around 130 million . . . or the federal share is around the 130 million. And what we've done, Mr. Chair, is that we've grown our proportionate share from \$130 million — Saskatchewan's share — from \$130 million this year; we're now at \$145 million in this year, given that we recognized the kinds of pressures that we're going to have in the crop sector.

(11:30)

But the federal share hasn't moved at all. They've left their 60 per cent level exactly where it's been. And so accordingly, what's happened here is that the federal government has reduced its portion of its commitment . . . or not met its portion of the commitment and accordingly, what we've done is we've added an additional 14 million.

Mr. Bjornerud: — Well thank you, Mr. Minister. Mr. Chair, I would ask the minister then . . . I understand what you're saying, that the costs or the payout on these commodities has risen. But I look, for an example, at lentils here and the premium has jumped sixty-four and a half or sixty-four point three per cent. And I find farmers will have a hard time justifying how that is when lentils haven't gone anywhere near that increase in the money that farmers get for that.

Mr. Minister, I want to back for a minute to yesterday, and I asked you questions on a certain farmer in my area and I'm sure there's many other examples across the province. And this is a larger farmer, in fact . . . Although if you divide that down as a son and his dad farming 5,400 acres — you divide that between two families — it's about 2,600, 2,700 acres which is not an abnormally large farm right now in the province.

But I told you yesterday the numbers that he had wrote in and told me about, and he lost the \$4,150 because of the education tax rebate that was dropped. But he also now, with the new costs in crop insurance, is going to have to pick up another \$17,710.

Mr. Minister, I would like you to tell me how I explain or how you would explain to that farmer, in a year where there might be a drought like this — or even in an average year — where on earth does that farm family, or two farm families, come up with that extra money and still stay solvent and stay farming for another year? Can you tell me that, Mr. Minister? Because I'd love to go home and explain to this farmer how he's supposed to do that with these new costs.

Hon. Mr. Serby: — Well I think the way I've explained it, Mr. Chair, and Mr. Member, is in a variety of ways. When you take a look at the pressures today on the budget, on the Saskatchewan budget . . . And clearly you've had a voice over the last several days here and weeks talking about how in fact the expenditures in this, in this budget are ones that need to be explained in a far more significant way. And you talk about the fact that today we may be — your words, not mine — that we're overspending in this province and that we should be spending less money in the delivery of programs and services across the province.

Well that isn't the case when it comes to Agriculture because in

Agriculture this year we took our budget and put an additional \$14 million — and this is how I'd explain it to the farmer that you're speaking of — took our additional \$14 million and added it to our operations to ensure that we could protect as best we could, in a situation where dollars are tight, the farming economy.

Now having said that, I would also talk about who isn't contributing to their commitment because today in Saskatchewan we spend about 5 per cent of our entire operating budget on agriculture. And when you take a look at what's happening not only in Canada but you look at what's happening nationally or in North America, there is only one other jurisdiction in North America that's putting the same amount of money into their farm economy, into their budget processes as we are, and that's the United States.

You'll find no other province in Canada per capita who's putting in the same kind of money into their agricultural community. So I'd say that to our farmer.

Thirdly, what I'd say to the farmer is we needed to make some very difficult choices this year and so spot loss hail was one of those areas in which we needed to make a decision — not unlike what's happening with our partners in government to the east of us, who today don't have the spot loss hail program covered within their program; not unlike what happened in Alberta when they reduced their budget this year. I mean you just need to look at the agricultural budget in Alberta and take a look at what they've done and the kind of coverage they've reduced.

And I would say to our farmer from our area of the province from which you and I come, I would take this letter with me that I got from the Canadian Crop Hail Association and I would quote this letter to him, Mr. Chair. And I would say this, and this is signed by Mr. Neil McQueen who is the chairperson of the Canadian Crop Hail Association, who represents the hail industry in the province. And he said this, and I quote this. He said:

The removal of the spot loss hail subsidy from the government crop insurance program puts businesses on a level playing field to do what they do best, sell our product competitively (is what he goes on to say).

And then he goes on to say:

This is also good news for farmers (is what Mr. McQueen says here).

He says that it puts scarce government dollars to the best use possible. He goes on to say:

As Saskatchewan farmers face the driest conditions in our history, it makes a lot of sense to use government dollars to alleviate the risk of no grass for cattle and low yields in field crops.

And then goes on in his final paragraph to say:

The subsidies of more than \$20 million annually to the government's spot loss hail program in recent years has

seriously undermined the crop hail industry in Saskatchewan. The removal of this unfair competition will create a stronger private sector for Saskatchewan and that's good news for every farmer and every Main Street and every village and every town in Saskatchewan.

is what Mr. McQueen writes.

Now I know the member's views and positions as it relates to the competitive environment and private sector in this province and so the decision to remove the spot loss hail didn't come lightly. It came after considerable consultation with the industry; it came with considerable consultation with the farm review support committee . . . the Farm Support Review Committee, and at the end of the day this was the decision that we needed to take, that we took very seriously and required a great deal of debate and understanding. And it didn't come lightly that we removed it.

But given the notion that we didn't get the kind of money that we had anticipated we would get or needed to get from the federal government, put in our own new money this year over and above the 60/40 percentage, we needed to take and reduce the spot loss hail. And that's the kinds of things that I would say to . . . that I'm saying to Saskatchewan farmers across the province.

And I know that on an individual basis, depending on what part of the province you farm, what kinds of crops you grow, the number of years that you've been in the crop insurance program, the kinds of premium discounts that you've had, from whom you've bought hail insurance in the past and are going to buy it into the future, they all have a bearing today on what the annual operating costs of your farm are going to be. And I understand very clearly the kinds of pressures that we have on the farm.

I too am a Saskatchewan farmer. I know what this . . . I know what this will do to our farm this year. This will be an additional cost, not only for the person from whom you're quoting, but my hail insurance costs this year on our farm are going to be greater as well.

But given the kinds of resources that we had to work with and the kinds of decisions we needed to make, spot loss hail has now been removed from the program and we've tried to enhance other parts of it. We put some money into the grass program because we believe that we need to ensure that the livestock industry is secured this year.

If we have a drought in Saskatchewan this year, it seems to me that the priority has to be to try to provide a stronger crop insurance program as opposed to the anticipations of what might happen through hail. And that's why we made the decisions that we made and that's the kind of response that I would make — that I'm making, actually — to farmers across the province.

Mr. Bjornerud: — Well thank you, Mr. Minister, Mr. Chair. I'll try and remember everything you said and I'll take that out to them and I'll tell them that word for word. I hope I can remember it all.

Mr. Minister, yesterday in one of your comments to the media — and correct me if I'm wrong — but I understand you had said to the media that the example I used was a very large farmer. And this is a large farm although, as we both know, farms are growing dramatically.

But I believe you went on to say that smaller farms such as maybe — and I don't know if these are your words exactly, but I think this was the intent — that 1,000 acres or 1,500 acres wouldn't be hit near as hard as the farmer I had in my example.

And I just wonder, Mr. Minister, if you could explain that to me how you differentiate between a smaller farm and a farm of this size, the effects of what the new changes in crop insurance have actually meant for the farmers.

Hon. Mr. Serby: — Well, Mr. Chair, to the member, I don't believe that anywhere I had delineated between large and small farmers and wouldn't in many cases do that. So if there's some sense here that I made a comment in relationship to that, I did not. It may have been made by one of the people who were working in around trying to get the appropriate kinds of messaging out, but they would not been my comments.

What I would say however, though, is that the expectation for sure and the reality is, is that if you're a larger farmer today in Saskatchewan and you're requiring to insure a larger number of acres and your premium costs this year which are up for producers in the crop insurance file — the larger your farm, the larger the amount of premium that you're going to pay this year.

And some of that will vary dependent on the kind of crop that you're growing. Now if you're in the chickpea belt, clearly, your comments earlier — and I respect them because they're accurate — people who are growing chickpeas in Saskatchewan and kabulis this year, their premiums will be significantly higher than what they were last year. Those farmers who are growing wheat and barley and oats and flax — and I'm not sure what kind of combination of crops this particular individual that we're talking about grows — but it will depend on the kinds of commodities that you're growing this year, what your level of payments will be.

So I would close by saying that the reality is, is that the larger the farmer you are today, and depending on the kind of mix of crop that you have, will depend on how large your premium costs will be. But in all cases across the province this year — doesn't matter if you're big or small — as a farmer today you're going to be paying more for your crop insurance premium.

Mr. Bjornerud: — Well thank you, Mr. Minister. And I apologize if I misunderstood what you had said yesterday. And I agree with you that doesn't matter what size your farm is, the increase in cost will go along with the same thing.

Right now, Mr. Minister, I have other questions, but the member for Watrous has a number of questions. And I just want to thank you and your officials for your time.

Ms. Harpauer: — Thank you, Mr. Chair. I just wanted to follow up further with what the minister said to the question by

the member from Saltcoats. He said that this will definitely hit larger farmers; it'll impact them far worse. And I agree.

He mentioned that he knows that the premiums went up considerably in chickpea areas, and he wasn't too sure about what Saskatchewan considers is their core crops, which is wheat, barley, canola, etc.

And I would just like to tell him that I have a crop insurance application form from what would be an average farmer, so a smaller farm around 1,000 acres. And by average I mean the number of acres, I don't mean his age. He's a 35-year-old farmer, which is quite considerably younger than the average farmer in Saskatchewan, and these are the farmers at the age that we should look at trying to retain in our province. And he's chosen to, last year, to put 50 per cent coverage on his canola. And in looking at the forms this year, to put 50 per cent coverage on his canola, it'll be an increase of 300 per cent. Last year, his premium was 36 cents an acre; this year it's \$1.04.

So I would like to point out that it's going to quite, quite significantly impact any and all the farmers in the province. And with that, the minister has implied quite strongly that the reason why this has all happened is because they had some clawback from the federal government, or the federal government was not going to give them as much money for the program, and yet there's some understanding that they borrowed money from the federal government last year in order to cover program costs.

So could the minister please tell us again here today how much money the federal government put into programs last year that was extra, over and above what they were required to put in; and what program that money was applied to when it was given to the province of Saskatchewan; and what agreement was made between the minister and the federal government in how we were going to repay those funds that the federal government was allowing us.

Hon. Mr. Serby: — Well, thank you, Mr. Chair, Madam Member, for the question because this is one that we've had the considerable discussion about around the province. And certainly, as you can appreciate, Mr. Vanclief and I have been in a bit of a head-bunt on this as well, given that we don't agree on the way in which the federal government has been accounting for the way in which it's made its investment.

And I want to just put these numbers out for the member, because I think they'll be useful in your conversations. In the agreement with the federal government over three years, their portion of commitment is \$190 million a year and our commitment is \$130 million a year to the 60/40 formula that we used with the federal government.

When you take the last three years of the investment into the programming, what you'll find is that when you add the 1990 . . . the 2000 . . . the 1999 number — or sorry — the 2000 number, the 2001 number, and the 2002 number, federally, you'll get to their portion of \$190 million per year.

(11:45)

When you take the Saskatchewan portion over that same period

of time, you'll find that when you get to the third year of the program, which is this year, we have added an additional \$14 million to our \$130 million requirement.

So we've met our commitments in each of those years, except this year we've put in an additional \$14 million. And why we put the additional \$14 million in is because we saw the kinds of difficulties that we were having in the crop insurance program.

Now the member will say that the federal government has said that we borrowed the money from the crop insurance fund somehow and we applied it somewhere else.

Well it's true that of the \$190 million that the federal government had last year, they didn't use it all in the crop insurance program — they didn't use it all. So they took their portion of their . . . which was about \$20 million and they put it into the C-SAP II program. So they just took their money and transferred it into a different account.

And Saskatchewan producers still got the share of the 190 of which the federal government committed itself to. But we left our money in there and continued to provide it in the, in the crop insurance fund and also made the kinds of matches that were required to do the C-SAP II, which is the emergency one-off funding.

So when the federal government says to us that, well they borrowed the money out of the account and now this year they're not . . . they're needing to put it back, clearly the case is, is that they simply took their money and applied it into the safety nets where it should have been and are making it useful for Saskatchewan producers today.

And what we did of course, is we went and said because we've spent our entire \$130 million and met our obligations last year on C-SAP II, we think you should add an additional match to our \$14 million into the crop insurance program, so now the formula is no longer . . . and to maintain it at the 60/40. Rather than yours being at 190 million — because ours is now gone to 145 — you should be jacking yours up by an additional \$14 million.

Well the federal government didn't agree to that because what they say is that we had a deal; the deal is a three-year package; we put in 180 . . . \$190 million a year and that's all we're putting in; we did our budget in, in November or December of 2001; Canadian farmers and you, Saskatchewan, are expected to live within that financial package for now, 18 months.

And we said, and I said, we don't operate our province on that basis. Every year we have a budget and every year we make allocations to the funding that's required for all departments including Agriculture.

And this year, when we saw there being a special . . . or needing to address the kinds of issues as it relates to drought, we put 14 million more dollars in. And you tell us that you're not growing your base 60/40 arrangement by the additional \$14 million because we have a deal. And we say, that's not fair.

Mr. Hart: — Thank you, Mr. Chair. Mr. Minister, I'm looking at a April 4, 2002 article in *The Western Producer* where I

believe this article discusses your meeting with Minister Vanclief. And I'll just quote from that article. And the article is quoting you, Mr. Minister:

"We both acknowledge that they've put in their \$195 million," . . . (it says) (Serby is) referring to the amount Ottawa contributes each year to crop insurance, Net Income Stabilization Accounts, and . . . Canada Farm Income Program.

So I listened with interest as you explained that you have a three-year agreement with the federal government and you mentioned 190 million. First of all, is it a hundred . . . that the feds put in, is it 190 or is it 195? I'd like some clarification on that. The provincial share is 130.

Could you tell us when this agreement first came into effect and outline the payments by . . . And what does it cover? Does it cover crop insurance or does it cover all the farm income programs as indicated in this news item? And give us the payments by both levels of governments for each year that the program is in effect please.

Hon. Mr. Serby: — Mr. Chair, I should just make sure that I have the right number for the federal government. I've given them credit for \$5 million; it's right. It's really 195 million. I thought it was 190. Really is 195 is what their share is of the formula. Our share is 130 million.

This is now the third year of the agreement, so the agreement would have been captured, I expect, in June of, likely, 2000, I think is when it was signed off. I believe the previous minister of Agriculture was in Ottawa in June, I believe, the end of June of 2000. And when he returned home he decided no longer to be a member. That's how I think I remember this exercise. So would have been then that the agreement would have been signed and it was on the basis of the 60/40 which was the 195 and the 130.

What I will provide for the member is the actual breakdown of every year, because I think that's the question that the member asked, Mr. Chair. And we'll provide that detail for you so that you'll be able to see the kinds of commitments that were made in each of those three years, both by the federal government and the provincial government.

Where I make the case about this year, is that this year they have put their 195 is what my article says, they have put their \$195 million in every year over the last three years. So they haven't . . . they have not deviated or, in fact, not met the responsibilities of the agreement. Mr. Vanclief is right about that.

However, and so have we. Not only have we met our commitment of 130, this year we increased our commitment by an additional \$14 million because we saw the kinds of pressures that we're going to have in the crop insurance sector this year. And that's why we made the adjustment.

And so when we asked our federal friends, as we'll show you, to put additional money into the program, they said they were not in the position to increase the level from the 190 because that was the deal that we had set with them over a three-year

period, and we're not flexible at all in terms of growing the 190 to the level of which we thought they needed to grow it.

Mr. Hart: — Mr. Chair, I find it somewhat interesting that the minister is contending that the . . . there's been a debate in the media and in this House that whether the federal government paid more in a particular year, and now we're paying less in this year, and those sorts of things. And the minister is saying that the federal people haven't stepped up to the plate as they should and so on. He's got his officials here and he doesn't have the figures as to how much each level of government has put in the last couple of years? I find that somewhat incredulous, Mr. Minister.

If you're going to make the argument that . . . and we bought the argument, we on this side of the House, and all we're doing is repeating what the federal people have told us. If you're going to . . . and you're saying that the feds aren't giving the true picture, and now you come in Ag estimates and you don't have those figures as to what, how much each level of government has put in. Mr. Minister, I find that amazing.

I would ask . . . and then the other question is, I had asked what programs does the 195 million and the 130 million, what programs do they cover. Could the minister please answer what programs, and also I'd give him some opportunity to rethink his answer as far as the level of funding from each level of government.

Hon. Mr. Serby: — Mr. Chair, to the member, I didn't say that we wouldn't provide you with the information. I don't think you're asking me or telling me that we're not going to provide the information. You're saying do we have the detailed information today because in your earlier question, I believe you asked what makes up the \$195 million? And what makes up the \$195 million will be cash advance money will be in there federally. And crop insurance makes up a portion of that and NISA (Net Income Stabilization Account) makes up a portion of that.

And so what I don't have at my disposal immediately here today is the detail on each one of those because you're asking me now about the last three years.

So I give the undertaking today that we'll provide that information for you in detail so that you'll have it. I don't have it at my disposal immediately and I expect that we'll have another opportunity to talk about the agricultural estimates.

But because there is so much . . . because this arrangement is so detailed with the federal government, we want to make sure that we provide that for you in a full and extensive fashion. And I give that undertaking this afternoon.

Mr. Hart: — Well, Mr. Minister, I realize there may be some detail. But surely when you're talking in round numbers of the federal contribution and the provincial contribution, perhaps you should have, for the past years when this program first came into effect, you should have those numbers. And really I think the citizens of this province really have no way of really evaluating the true picture in this whole argument, Mr. Minister.

Now you mentioned . . . or it was mentioned in this news item that the federal CFIP contributions are also part of that 195. Is that, is that . . . You mentioned in your reply that the cash advance program is part of that 195. Could you clarify if CFIP in that 195? Is it not? And could you tell us when you will have the answers to my questions, Mr. Minister? Could you give us a date?

Hon. Mr. Serby: — Mr. Chair, to the member, I think what I just said earlier is important that we take . . . to take the time that we need to make sure that you have all the information because if you heard me say that CFIP was in this 195 — it's not in the 195. And I don't think my article says that CFIP is in there either.

And so what we need to show you is what the 195 covers off, which is cash advance, crop insurance, and NISA is in the 195, and then the CFIP is a different package. And so we'll provide that for you, and we will have this for you in very short order, within the next day, we'll have this information for you. It's just a matter of going and putting it together in a fashion which would be appropriate, I think for you to see it.

Mr. Hart: — Mr. Minister, you mentioned that you're putting in \$14 million more into the crop insurance program and that the federal people . . . you've upped your government's contribution from 130 to 144, 145 million this year. But you're also saying that that's not enough to sustain the spot loss hail. And you asked the federal government to also put in their additional 14 million.

So if the feds would have come up with the \$14 million would have you been able to operate and offer the spot loss hail program? I'm wondering about that, Mr. Minister.

Hon. Mr. Serby: — I think one could speculate that had we received the federal money, the choice would have been then, do you leave the money in the spot loss hail program, which certainly would have been an option in my view. Or what we could have done is taken that additional money and still taken the spot loss hail out in the way in which we did and applied that to the program and then seen a reduction in what the level of premiums for producers would have been. I think that option would have been there. So there would have been two options for us to entertain.

But we never had the opportunity to entertain either one of those options because we didn't get the additional dollars that we were looking for.

I can say that the Farm Support Review Committee I expect would have been on side to leave the spot loss hail in place and to take the money that we might have got from the federal government and put it into the package so that the premiums of farmers wouldn't have gone up to the same level.

But given the fact that you have increased levels today of acre coverage, even with the federal funding had we received it this year, you would have likely seen, in my view — and we can get certainly a better appreciation of this through the department folks — I think you would have seen anyway some increases in the premiums this year particularly on the grains and oilseeds side given the fact that your coverage and the price of the

commodity is a little better off than it was, say, a year ago. So you'd likely seen some increases anyway.

Mr. Hart: — Mr. Minister, I'm wondering and I guess I'm a little bit confused. I realize you don't have some of the numbers right at your disposal at the moment. But let me summarize what you've presented here.

Last year you said the federal government put in their \$195 million and the province put in their \$130 million to cover the programs as listed, correct? Under last year's program each . . . you were able to offer the spot loss hail at a cost of approximately \$17.4 million to each level of government; the producers picked up the remaining 23 million and some dollars.

(12:00)

Now this year you've said the federal people have put in the \$195 million for this year, you're upping yours to 145, and you can't offer the spot loss hail. Something doesn't quite jive here, Mr. Minister. Actually you should have more money available to run the program and yet you've gutted the program. You've taken an option out of the program that many farmers will pay huge increased costs just to replace what you've taken out of the program. How do you explain this, Mr. Minister?

Hon. Mr. Serby: — Mr. Chair, to the member, the member should know that last year in order to sustain the crop insurance program last year we put additional money into the program as well, to ensure that we could meet the kinds of obligations that we did in the crop insurance file.

So this year we recognized again that we needed to put additional funding in and that's from the perspective that we put the 14 million brand new dollars in.

And the member's right, in his interpretation of what I've said, and that is that the federal government and we have met our obligations to the agreement of 195 and 130. Now that's absolutely correct. But we took and put additional funding in this year into our formula portion and we'll show that to you in the next day.

What also is important here, when the member asks about the kinds of options that we were looking at this year, I'm on record and so is my partners, my colleagues in Alberta, and Manitoba, and British Columbia, and in Ontario, to remove the bonus interest portion of NISA.

And what we wanted to do with the bonus portion of interest of NISA is to take that chunk of money and put it into the crop insurance program to try and make sure that we could provide the same package this year so that producers . . . and that leaves some money of course, given what the federal government had said to us, would have covered off a portion of that spot loss hail that we were talking about a bit earlier. So we had yet another option about things that we want to do.

Now, the member opposite and other producers across the province might say that NISA is an extremely popular program; people would like to remain in it. And for us it's worth about \$9 million is what we put in annually now, on the interest side. The federal government puts in exactly the same amount, so it's 18

million. So one of the options would have been for us to take a portion of that money and put it into the crop insurance program.

But we enriched it last year with money, and we enriched it again this year with money. And this year, had we been able to get a bit more, the answer might be that we'd been able to offer a similar product.

Mr. Hart: — Mr. Minister, you indicated that last year you had to put in some additional money into the crop insurance program. The question is how much additional money did you put in, and where did it come from?

Hon. Mr. Serby: — Mr. Chair, last year we put in \$13 million.

Mr. Hart: — And, Mr. Minister, I presume that came from the General Revenue Fund?

Hon. Mr. Serby: — Mr. Chair, all the money comes from the General Revenue Fund, and it comes from the department's budget.

Mr. Hart: — Well, Mr. Minister, I wonder if you'd explain then in . . . I'm looking at the 2000-2001 annual report of the Crop Insurance Corporation. And I'm looking at page 37 of the balance sheet. And there it states that due from the province of Saskatchewan General Revenue Fund there's \$102,959,289.

Is this money that the General Revenue Fund owes to the crop insurance program? How do you . . . can you explain this amount of money, Mr. Minister?

Hon. Mr. Serby: — Mr. Chair, to the member, I'm told that the Department of Finance holds the cash, and that this is just a bookkeeping entry.

Ms. Harpauer: — Thank you, Mr. Chair. We're going in a little bit different direction, a little more general direction in the question, and that is I think that perhaps the officials and the minister can't appreciate the in-depth amount of planning that goes into a farming operation prior to being able to seed in the spring.

A seeding plan has to be made, and the seed needs to be cleaned, and the financial . . . finances necessary for the input costs needs to be put into place. And the ability for the producers to secure this financing is often quite dependent on the insurance that the producer plans to purchase for the year.

And this year the crop insurance forms were quite delayed. And even though some deadlines were extended, the time frame given to the producers was — and we're talking especially the cattle producers, but producers in general — was quite unacceptable. And I had sent to me an application that was dated March 21, and the due date for the coverage that the producer was interested in was April 1. And now assuming that Canada Post was at its finest and the producer picked up his mail quite regularly, he probably would have received his application approximately March 25, or sorry, 23 or 24, but that was a weekend so he may not have received it until March 26. So that only gives him five working days in which to make some major decisions for his farming operation. And I find that

rather unacceptable.

So could the minister please explain to us today why there was such a delay in the crop insurance applications getting into the hands of the producers — and yes, I agree, the deadlines were extended somewhat — but why they weren't extended a little bit farther than they were.

Hon. Mr. Serby: — Well, Mr. Chair, to the member . . . or, Mr. Deputy Chair, to the member, the previous question that was asked of me by the member from Last Mountain . . . Sorry, I should know that; I should know that. Given the astuteness of the member from Last Mountain, I should have remembered that.

I want to say that the reason why we waited is because we were hoping that we might get a decision on the NISA program. And as I said earlier, our interest was to try nationally, our interest nationally was to try to see whether or not the federal government would agree on us taking the portion of the interest bonus to use within the crop safety net sector.

And all of us were waiting for it. In fact, if you were to have this conversation with our friends in Manitoba, they had hoped that they would have had a decision by now on the NISA bonus interest — which, by the way, we still don't have from the federal government. And our interest was to try and see whether or not we could take that bonus NISA interest and then apply it to the crop insurance fund. And that's the reason for the delay in the rollout of the crop insurance program because we wanted to take that money and use it in the crop insurance side.

Now when you go to roll out a crop insurance program of this magnitude, I understand fully about how important it is for farmers to be able to know what they're working with in a given year and the crop insurance program is essential. And on our farm, we know how important that is as well. And so I recognize that there were some inconvenience, without any doubt, for provincial farmers across the province.

Now we extended the deadline to April 19 and this creates some pressure as you will probably appreciate with the reinsurance agencies across the country who reinsure crop insurance, because what happens is that it weights the advantage to the producer and any time . . . or to the customer, and any time that an insurance agency is experiencing an advantage to their customer, there may be an additional premium here.

Why I say that is that you have now an additional 19 days into the cropping year actually, to make a decision about what you want to do, particularly people in the Southwest. They have 19 more days into their cropping year to make a decision about what they are going to do with their crop insurance program. And so it gives the advantage then to the producer and the insurance agencies . . . or insurance companies, reinsurance companies are most concerned about that — but we did it anyway.

We extended the crop insurance program on the crop sector to April 19 and left the forage program to the end of March, I believe is the deadline that we had on that.

And to date, as I've said to you earlier in my comments, our

forage program will be at capacity I expect. I don't have the full accounting on it yet, but our new forage program that we rolled out this year will be captured fully I expect here by the producers of the province.

Ms. Harpauer: — Thank you, Mr. Minister. I would caution the minister from equating the number of applications that are being submitted to the success of the program. The fact is that all-risk crop insurance has a monopoly here in the province and we're in a drought situation. So it could be a matter of desperation and the farmers simply have no other choice on what kind of insurance they can purchase.

But you mentioned that the pressure was greater this year from the reinsurers and that's why the deadline, although extended, is still earlier than it has been in the past.

What has changed with the reinsurer that you . . . A one time it was as late as April 30, was the deadline for resubmitting your application forms. What's changed that needs to be so much earlier?

Hon. Mr. Serby: — Mr. Chair, to the member, just to say that we would have tried . . . we would have had the deadline at the end of March again if we could have got a decision on the NISA program a bit earlier. But because that was stretched out over a longer period of time and we didn't get the decision, and when we finally rolled out the program, we felt that it was imperative here to give farmers the same kind of timetable that they had in the past — give them the same kind of timetable where, in fact, they would be able to make a decision about their crop insurance program over a same period of time.

Now having made that decision to extend the deadline into the cropping year — because there aren't many places in Saskatchewan that you usually get to seed on April 1, but there have, on occasion in given years in this province, were actually people start to put seed in the ground in April 1. Now what insurance companies want you to do is to try and minimize the risk both to you and them. And accordingly, when you stretch out this . . . the application date into seeding year, this year, as we have taking it to April 19, there will be a premium that the . . . that will need to be paid here too for that risk that reinsurance companies will be exposed to.

Now are we appreciative of the fact that that exists in the insurance agencies? No, no, but it's the fact. Doesn't matter whether or not you're insuring crops or you're insuring ships or you're insuring buildings. There are periods of time in which reinsurance companies expect you to set and establish timeline. And in the crop sector, with the crop insurance program, it was set for the end of March.

This year we've exceeded that timetable, as I've said to you, only because we had not got the decision on the NISA program, or the NISA bonus interest, and I can say to you we still don't have that decision from the federal government today — still don't have it.

Ms. Harpauer: — Thank you Mr. Minister. It would appear as if the line companies have more influence when negotiating with the reinsurers than the provincial government, because you can buy your hail insurance, virtually at any time during the

crop year.

But when you say that you've had a good number of applications that are coming in and that people are receiving this program, at what level are you looking at these applications buying into? Are they buying at the 50 per cent coverage, 60 or 70 per cent? Because many producers are telling me that they're bound to buy some coverage through Crop Insurance in order to access the spring cash advance program and that is the sole reason why they're buying it, not because they feel it's a good program.

(12:15)

Hon. Mr. Serby: — Mr. Deputy Chair, to the member, we won't know yet exactly what the full uptake on the crop insurance program will be but the early indications are that people are buying the higher level of the insurance from what they did last year.

Now what's happened here . . . And I have a little note here that was provided to me by my officials that says that we had 26 million acres insured in 2001 and that's up by over 5 million over the last two years. And I expect that this year we may very well see enhancements or even more growth in the crop insurance program.

And I know that the member has said that we, last year . . . or maybe one of the other members had indicated to me that last year, there are other programs of course that require you . . . in order to access them, that you have to be in the crop insurance program. Well in order to get your cash advance last year, you had to be in the crop insurance program as well. So there hasn't been a change in the methodology there at all.

I think the other thing that will be important here is that prices are up significantly too. And when you take a look at some of the crops — I mean, when you take a look at the oilseeds, take a look at canola and flax — those crops are up by almost 40 per cent and that will of course have a reflection on what, at the end of the day, your premium costs are going to be.

So my sense is that in the next short while we'll have a better appreciation of what the full uptake across the province will be, but expect that we'll see continued growth in the crop insurance program. And I'm hoping that that's the case because, on this side of the House and our strategy . . . At least the Western Canadian agricultural ministers want to try and build a made-in-Western-Canada crop insurance program. We think it works. We think it's the one of which farmers appreciate the most. We need to strengthen it over the next several months as we talk with our federal friends and see if we can make it our lead program in terms of safety net funding.

Ms. Harpauer: — Thank you, Mr. Minister. I'm going to head into a little bit different direction again and that is to go on that only too often the agriculture programs that are put into place for the producers of the province don't address or answer the actual needs of the producers. And both sides of this House have been quite critical of the federal government programs — and with that I'm referring to AIDA and then followed by CFIP — because they don't get the money into the hands of the producers that need it the most.

So could the minister please explain to us today his rainfall coverage program and explain how it isolates and identifies where there is a need and how it addresses that need.

Hon. Mr. Serby: — Mr. Deputy Chair, to the member I want to say that it would be fair to say that, particularly in Western Canada with the provinces of Alberta and Manitoba, whom we have been working very closely over the last 18 months, we're interested in developing a new method or model in terms of managing and overseeing the way in which the crop insurance program is delivered.

And a year ago we rolled out in this province a forage program of which . . . a rainfall forage program which is a pilot. And we also had an opportunity to meet with our friends in Alberta who did something very similar to what we did, but they piloted most of it in the Taber area and Lethbridge area where they were focusing on the corn production, where they were measuring the amount of rainfall.

At the same time, they also had had a satellite imaging package that they were using. And the satellite imaging package was really measuring heat units. So what we're looking at . . . what we looked at last year in Saskatchewan is to do a small, little pilot project using some weather stations in the area, allowing producers to buy up their premium costs or their coverage costs, and then at the end of the day sort of measuring to see what kind of success that would provide.

And at the end of the day last year, I think we had about 200,000 acres that were insured in that forage rainfall program and met with tremendous success by producers. We had enrolment in that in almost no time, in that program, of which producers at the end of that last year said to us, we'd like to see you take that program and see whether or not you can establish it as a . . . as part of the major program of crop insurance — of which we did this year.

Now what we don't have in place in an effective way — and we say that openly and are . . . and leaves us with one of the initiatives that we want to build towards — we need to have more weather monitoring stations in Saskatchewan. Today we're using the weather monitoring stations of the federal government. They become our source of information in terms of measuring the amount of rainfall in the province. Manitoba, on the other hand, has far more of the weather stations that they have across the province.

Some would argue that in order for a program of this to be fully effective if it were to be fully implemented, should have probably two or three rainfall stations in an RM (rural municipality). So if you were to take the number of RMs in Saskatchewan, you're probably looking at somewhere in the neighbourhood of 900 monitoring stations that we should have in our province if we're going to move in that direction in the full way.

Now we only have in Saskatchewan today just the federal monitoring stations. There are 83; a couple of them are outside our borders. But we use them as our method for measuring the rainfall forage.

Now the question is, are we intending to move in that direction?

And my answer to you is that we are intending to move in that direction.

And we're moving in that direction with our partners from both Alberta and Manitoba because we think we need to get away from the subjective measurement that we use today to determine what a producer's eligibility should be. Because really what producers are insuring against is the weather. That's what they're insuring against.

And so if we could start to measure — as Alberta's doing with the number of heat units — in a scientific way, and if we can start to measure the amount of rainfall that happens in an area, then the rest of the responsibility lies with the producer.

Because today often when we get a crop insurance claim and a crop insurance adjuster arrives at the field or the farm, they have to go through a whole series of questions, like: at what time of the year did you actually put this crop in; which week did you put in; and how deep was it seeded; and how much fertilizer did you put into this crop; and was it a crop that you had last year that was similar to the one that you had this year; and was there disease in the area?

So there are a whole host of subjective issues that need to be observed here and also evaluated.

If we can get to a place into the future where we can use a more scientific method of measuring heat units and rainfall, of which this program this year is doing — it's gone I believe from 200,000 acres in Saskatchewan this year to over 1 million acres this year of what we're going to be insuring in this program.

And producers across the province, livestock producers across the province, I hear from regularly who tell me that they are very pleased that we were . . . be able to do this. And I have sitting around my table every six weeks or seven weeks the Saskatchewan Feeder Association and the Saskatchewan Stock Growers Association. I meet with them every six or seven weeks — in fact I'm meeting with them again next this week or next week — and they have endorsed this program fully.

So it will be my intention into the future, as we have the idea of growing the livestock industry in Saskatchewan, to continue to provide a good forage rainfall program for livestock producers.

Ms. Harpauer: — Thank you, Mr. Minister, and I think perhaps they should discuss moving that into the Liquor and Gaming department. I'm quite surprised to hear that the producers were sitting around your table appraising this program and that Manitoba's on the board. I talked to some Manitoba producer groups and they couldn't believe that Saskatchewan put together such a program, and asked who the heck planned it in the first place.

But I've heard the Minister of Agriculture and I've heard other members from the NDP government talk about how we need to isolate the need and meet the need. And I still fail to see how this program meets the need where the need is.

But could the minister please tell me what is the estimated cost of this option, what the maximum acres that each separate producer can bet on, on any particular rain station. What's the

maximum amount that any one producer could make on his bet on a rain station? And could a producer collect on his bet on a rain station even though he had a bumper crop?

Hon. Mr. Serby: — Mr. Deputy Chair, to the member, I recognize the concern that the member has about the future of the livestock industry in Saskatchewan. And clearly on this side of the House, and within our department, and this minister, believe that the future of this province is in growing a livestock industry.

And so what we want to do here is try to protect it as best we can at a time when there is a fair bit of vulnerability based on what the moisture levels are and the year which we came out of.

Last year I said to you that we had 200,000 acres insured of grassland in the province. And I said to you, this year we have 1 million. I was wrong. This year we have 3 million acres of grassland that's insured in Saskatchewan — grassland that we have insured in the province. And that to me doesn't resonate as being that farmers aren't appreciative of the opportunity. That doesn't resonate to me that way at all.

In fact on that side of the House last year . . . And I'd hoped I wouldn't get here but you've taken me there now when you say to me that what this is, is this is an opportunity to bet on your future.

Well I can tell you what I'm doing on this side of the House. I want to make sure that we can insure grassland in this province so that livestock producers today in fact will have an opportunity to grow their herd. That's what I'm doing.

I'm betting on the notion that we're going to be able to support a livestock industry in Saskatchewan. And I know what you — not you personally, Madam Member — said last year about the forage program, where we're going to seed into this province, last year, over a period of four years, land that should be into forage.

And over there on your side of the House — and I remember the member from Kindersley standing up and making a mockery of the forage program seed-down last year — and not you, Madam Member, but others in that side of the House laughed fervourously about the notion that we were doing it.

And last year in the forage grass program we anticipated that we would have about 5,000 applications. And we had over 10,000 applications last year from farmers across the province to seed their grass down — land to grass. And they used \$500,000 . . . 500,000 acres were seeded with cost-shared money, and then they seeded above that another 150,000 acres on their own without cost share.

(12:30)

And so when I hear from that side of the House from time to time — and I have not heard this from you yet, Madam Member — that the changes that we're making today to the crop insurance program to enhance the benefits for producers, livestock producers in the province, I'm troubled by it. I'm troubled by it. Because when we take the grass program today, or last year, the pilot program from 200,000 acres to 3 million

acres, it seems to me the producers and livestock producers in the province are speaking.

And I kind of like what they hear. They're endorsing the program, and they didn't need to do this. They didn't need to take this. We should remember this. Producers have an option not to buy this program. They don't need to buy it. They buy this on a voluntary basis and are saying that we will . . . are prepared to pay or receive in compensation somewhere between 7 or \$9 per acre, is what they'll get in return.

And livestock organizations and producers say to me that if we have a wreck, if we have a wreck, then what we'll do is we'll take that money and we'll use it for some of the things that we need to do — to buy feed for our livestock, to transport our livestock, or to transport feed. That's what our producers are saying.

And I happen to support the notion that we should be putting insurance programs together that support and enhance the livestock industry in Saskatchewan. And forage protection in my view, and grass protection in my view, is one of the ways of doing that.

And you might argue that it's not enough, and I won't disagree . . . (inaudible interjection) . . . Well if you haven't said that yet, you might. And I'll say to you, we should do more.

Ms. Harpauer: — Thank you, Mr. Minister. I did not say it was not enough, nor did I say . . . I didn't mention the amount at all, actually. I asked you what the option was going to cost. And I asked you what was the maximum that any one producer could get. And you said that they love it because if they have a wreck, there is some coverage.

But how do you explain . . . And the other question I asked you — if they could have a bumper crop, or a bumper year in their forage, and if they could still collect. Now how does that address the need, where it is? How does that address the need if there is a wreck on a particular farm operation if basically what they're going to do is they're going to buy premiums on a weather station where they're hoping that that area has a wreck, and they're hoping that they themselves don't?

But along with that question, I want to add one more because we're running out of time quite quickly here. And the other area that I would really like to talk about today is that the Estimates book says that the crop insurance program also delivers programs which compensate producers for crop damage caused by big game and migratory waterfowl. And the member from Humboldt had asked a written question of: will the waterfowl and wildlife damage compensation program continue to be offered to farmers in 2003 or 2002-2003? The answer was yes, and yet the budget has no money allocated for that program.

And I realize that there are fewer ducks when we don't have rain and we are in a drought situation but no less, there probably will be some waterfowl damage and you will have a claim, and yet you're going to pay it with zero dollars.

So could the minister explain both of those areas? If there is a wreck how does this rainfall program help that producer if he has a wreck and he's bought premiums on a different weather

station out of the area or if his own local weather station has already been completely bought up and he can't buy, so how does that address his wreck? And what money are you going to do or what money do you have that will cover the claims for the wildlife damage?

Hon. Mr. Serby: — Well, Mr. Chair, or Mr. Deputy Chair, and the member, being a farmer as you are, I expect that when you're going to buy an insurance product and you have a measuring stick of which you're going to be choosing, that you're going to choose one that is applicable to you. You're not going to choose one that is applicable to your friend that's on the other side of the province or that you're going to choose a measuring stick in some other country.

I think what you'll do as a farmer, and this is what we do on our farm, and I expect that 99 per cent of the farmers in Saskatchewan today are going to pick a weather station that's most appropriate and one that is reflective of what's happening to them in their own region of the province because crop insurance is based on area averages and individual averages. So you would think that most of the producers would practice the same kind of experience when they're making choices in forage or in crops reflective to the weather station of which is reflective of where they live.

Now when the member says to me, if we have . . . I'm not sure if the question was directed to the crop sector or whether it was directed to the forage sector. And I spent some time talking about the forage sector. And on the crop sector, of course, producers today can buy up . . . buy \$10 an acre if they choose to do that. It's a voluntary program and so they can choose to do that.

And in many cases, and I think we'll report when the program is complete, that we'll have producers today who will have bought up the additional crop insurance on the pilot project crop. I think you'll find that they'll have taken it in the same way that they took last year on the pilot project on forage.

This year we have some producers in the forage program who are insuring as much as 30,000 acres. Huge acreages that they are insuring today.

So on the crop program, if the debate here, or the concern is whether or not people . . . This is voluntary. And so people buy this on their own. And at the end of the day, I expect that we'll see when we roll this program into a larger piece . . .

An Hon. Member: — . . . rainfall program, not the forage program.

Hon. Mr. Serby: — The crop sector rainfall program is what I'm talking about. This is now. This is about . . . (inaudible interjection) . . . You can only insure . . . That's correct. You can insure up to a maximum of 500 acres because it's a pilot. And so what we're going to do is we're going to experiment with it. We've allowed people to put . . . pay an extra premium for their coverage. It's strictly voluntary.

And if we had three or four weather stations in every RM, which I said earlier . . . which would be ideal, we would try to get there at the end of the day. But today the only way in which

we can manage a rainfall project is by using the federal weather stations.

Now I ask the question, if the federal weather stations worked for the grass program last year on a pilot, and this year we make it a full-blown program using the same criteria, and my acreage has gone . . . or Saskatchewan's acreage has gone from 200,000 to 3 million, how do you make the argument, how do you make the argument that producers don't like it? How do you make that argument?

And how do you make the argument that when you offer a pilot crop program, which is only pilot . . . (inaudible interjection) . . . Yes. The member from Last Mountain-Touchwood says they don't have a choice. They do have a choice. They don't have to buy the pilot crop sector rainfall program. They don't need to do it . . . (inaudible interjection) . . . Well you see, you see, Mr. Chair . . .

Mr. Brkich: — Mr. Chairman, my question also deals with the new grass insurance program. The weather stations closest to my constituency . . . In fact, I only have one — it's Tugaske. The rest are outside . . . I believe the next closest one in the Bladworth-Girvin-Davidson area is Watrous. You're looking at 50, 60, 70 miles away.

So you're saying, basically, it is a crapshoot. If you're going to choose something 60 miles away you might as well choose something 120 miles away. The producers, basically their pastures are black, they have no other option but to insure. This is the only program in town.

Some of things that was raised to me was there was an old insurance program, and I think it was Saskatchewan years ago, where you insured your pasture, you fenced off a little piece of an area. I can remember using a round-bale feeder. You went out. You staked it down. You threw some page wire around it and the insurance adjuster came out in August and checked the grass in it. So you were insured for your pasture.

The producers right now want to be insured. If they're dried out this year on their particular pasture, their pasture here, they want to be paid for it. If they have a lot of rain, they don't expect maybe to get paid for it.

And that's what you're asking even me as producer of my pasture. The closest thing I'm insuring for is 60 miles away. I could be dried out here. They could have rain at that station 60 miles away, have grass up to here. They're going . . . I'm not going to get paid. And if they choose some other area, they'll get paid. So I can't see how that program is helping me.

Insurance programs should be if you, as a producer or your piece of property is damaged, whether it's a house fire or whatever, you're insuring that house. You're not insuring your neighbour's house. And that's what we're looking at with this program and that's a concern that was raised to me in the cattle industry.

Hon. Mr. Serby: — Mr. Deputy Chair, to the member. I think you make two very important points. First of all, you make the point that there was no program before and now we have a program.

Well we had . . . We had, we had last year a pilot project on rainfall pilot. That's what we had last year. And this year we've taken . . . Because of the kind of demand we had last year, we take that program, we take that program, Mr. Deputy Chair, and we provide it to every . . .

The Chair: — Order. Order. Order. Order. Order. I'm having difficulty hearing the answers to the questions and would hon. members please take turn and when it's their turn to speak, they can speak and then, when it's not their turn, they should listen.

Hon. Mr. Serby: — I just want to respond to my colleague who asked the question a moment ago. Last year we had a pilot rainfall forage program of which we had 200,000 acres insured, that we permitted to insure. This year we opened it up to the entire province.

And you can say to me that the producers don't have a choice. They do have a choice. Yes. The producers have a choice. They have a choice about not taking it at all. But that's not the choice they made.

What producers did is they said in volumes, we're going to take the 200,000 acres, and we now have 3 million acres insured — a comprehensive, full program for Saskatchewan today.

Now certainly you can make the case that we should have more rainfall stations in the province. Of course we should. And these are exactly . . . this is exactly the . . . It's the same kind of programs that they are doing today in Alberta and Manitoba. We're not unique here; they're moving down this path.

And what we're doing today . . . And your point is well made. Of course we don't have enough rainfall stations in Saskatchewan today. And so you're going to pick the one I think who's going to be closest to you because that's what we as reasonable farmers do all the time. We take advantage of what's most closest to us and then use those resources.

We do it in the grain industry when we haul our grains. We do it when we buy our fuels, when we buy our fertilizers. We buy it from people who are closest to us. I mean we don't buy them from all over the . . . (inaudible interjection) . . . Well and you buy the cheapest. Well and this is a cheap program is what farmers tell us.

And so at the end of the day . . . I mean what we have here today, what we have here today is an opportunity for farmers to engage into a program that we didn't have before. Will our challenge be to try and get a broader extended rainfall program measurement? Absolutely it will. And we're going to work with our neighbours in Alberta and Manitoba to try to achieve that.

But it will require additional resources. It will require also improved technology, because Alberta last year tried to do a full measurement on the heat units and they weren't all that successful. So they're now revisiting that again and we'll work together with them in partnership so that at the end of the day we might have a far better measuring stick. And that's the process that we're on today.

Mr. Hart: — Thank you, Mr. Chair. Mr. Minister, I'm looking at the 2000-2001 annual report of the Crop Insurance

Corporation. And on page 50 . . . page 6 near the bottom, there's a listing or a paragraph that tells us who the members of the Crop Insurance Board were for that particular fiscal year. And one of the names that I notice is a Wilson Olive, Mr. Minister.

Also the part of that same report — it's the 2000-2001 annual report supplementary information — I noticed that under the heading, suppliers' payments, there's a firm, Olive, Waller, Zinkhan & Waller, and they were paid \$229,424.

Now my question, Mr. Minister: is the Wilson Olive the same Olive that's . . . is he part of this firm that I had . . . that's listed here in this supplier payment?

(12:45)

Hon. Mr. Serby: — Well I expect . . . I mean the Crop Insurance Corporation would require from time to time, not unlike any other business or industry or corporation in the province, legal advice. And so they, they in fact would then determine . . . I expect the, the executive of the crop insurance agency would bring to the board, through the process of . . . that they use to determine who their legal counsels will be across the province, will determine through their process.

And I'm not sure whether or not the member's implying here that there's some untoward processes that are going on at the board level, at the board level. And I would be troubled if he's suggesting that. I think he's not asking that question.

I think the member is asking whether or not there's been due diligence done here in terms of finding out or tendering the . . . or soliciting the services of a legal firm; I think that the member opposite would be suggesting that there is due diligence that is done there. And I have, I have tremendous confidence in the employees who work within the corporation of crop insurance, and I'm sure that they would make those recommendations accordingly.

And if in fact you have from time to time an individual who might serve on a board of directors and they happen to be involved in the delivery of the kind of service that an individual's being required or a corporation's required, that that decision would be made at the corporate level. And so I don't read anything more into that.

If the member opposite has some concern about the way in which decisions are made at the executive or board level, then I think he should put that in writing to me and I would be very pleased to explore then with the corporation. I'd be very pleased in corporation . . . in consul, in consul with my . . . in counsel with my officials and the president of the corporation to pursue whether or not there is something untoward here that the member might be suggesting.

Mr. Hart: — Mr. Chair, I listened very closely to the minister's answer and it's a very simple question. Wilson Olive is listed as being a board member of the Crown . . . board of directors of the Saskatchewan Crop Insurance Corporation. Now is this the same Wilson Olive that's a member of this firm that was paid 200 . . . over \$229,000 in that fiscal year? Is it the same person? A simple yes or no answer, Mr. Chair.

Hon. Mr. Serby: — Mr. Deputy Chair, Mr. Olive is a member of the firm, is a member of the firm that did the billing. Mr. Wil Olive is the, is the individual who is on the board, but his firm did the billing — the firm did the billing.

Mr. Hart: — Mr. Chair, I would ask if, did any other board members that are listed on page 6 of the annual report receive any payments other than payments due to them as . . . in the form of honorariums and expenses that would be associated with their duties as a board member? Did any other board member receive any payment other than honorariums and expenses?

Hon. Mr. Serby: — Mr. Deputy Chair, the members on the board who are not civil servants receive a per diem and a stipend. The members who are on the board who are public servants do not.

Mr. Hart: — Mr. Minister, we'll exclude the civil servants and you just said that they didn't get anything other than their per diems and so on or whatever they had coming to them.

Now those members that aren't civil servants, you've already said that Mr. Olive's firm received the \$229,000. Now were there any other board members who aren't civil servants, did any of them get any . . . were they paid for any services rendered to the corporation other than in the role of their . . . as being a director of the board?

Hon. Mr. Serby: — There are no other members who received a per diem other than those who are not public servants. They all receive . . . Those who are non-public servants all receive per diems. And any business or corporation that did work for the corporation — for the crop insurance agency — would be listed in the crop insurance report, highlighting what remunerations each of those businesses who did services for the crop insurance agency received.

Mr. Hart: — So, Mr. Minister, what you're saying then is that those board members who aren't civil servants, the only one that got paid for supplying a service or supplies to the crop insurance was Mr. Olive's firm. No other board member was associated with any other firm or as an individual received any payment for services or supplies.

Mr. Minister, does the crop insurance board have a set of guidelines dealing with conflict of interest and, if so, would you be prepared to table those guidelines?

Hon. Mr. Serby: — Mr. Deputy Chair, I'm told by my staff and by the president of the corporation that the conflict of interest guidelines that apply under the rules that we have established through the Legislative Assembly, throughout the course of the operations of government, apply equally not only to the staff but would apply equally to the members of the board in the Saskatchewan Crop Insurance agency.

The committee reported progress.

The Speaker: — I would like to wish everyone a pleasant weekend.

The Assembly adjourned at 12:55.