



FIRST SESSION - TWENTY-FIFTH LEGISLATURE

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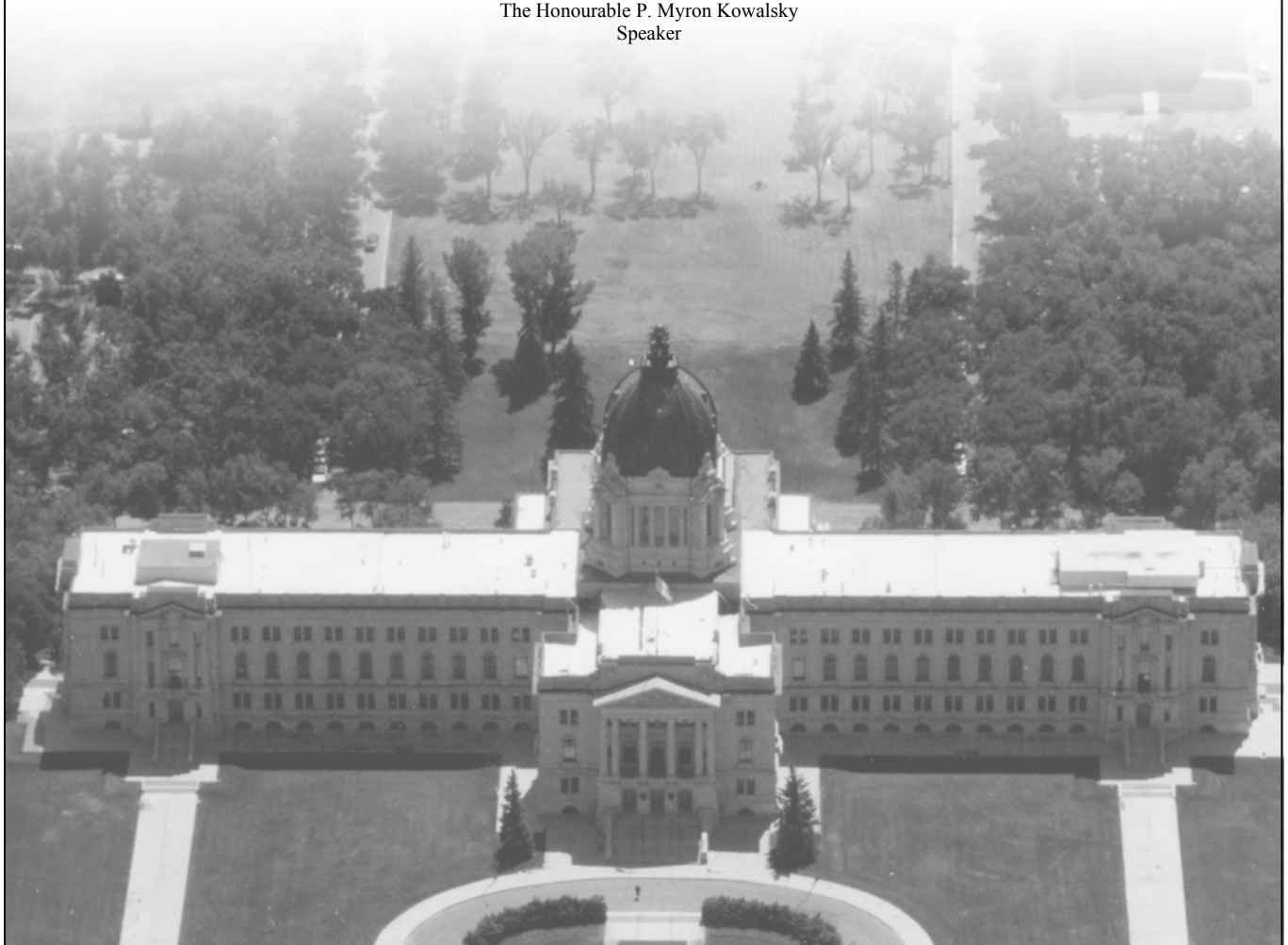
Legislative Assembly of Saskatchewan

**DEBATES
and
PROCEEDINGS**

(HANSARD)

Published under the
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The Honourable P. Myron Kowalsky
Speaker



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EVENING SITTING
COMMITTEE OF FINANCE

General Revenue Fund
Agriculture, Food and Rural Revitalization
Vote 1

Subvote (AG01)

The Deputy Chair: — The business before the committee is estimates for Agriculture, Food and Rural Revitalization Administration, (AG01), is that agreed? Introduce your officials, please.

Hon. Mr. Wartman: — Thank you, Mr. Chair. I would like to introduce my officials. Right next to me on my left is Doug Matthies, who is deputy minister; and right behind Doug is Hal Cushon, assistant deputy minister. To my right is Louise Greenberg, assistant deputy minister; and immediately behind me is Maryellen Carlson, assistant deputy minister. Stan Benjamin, general manager for Saskatchewan Crop Insurance Corporation is in the back row on the left-hand side.

And just in the final row of benches behind Hal Cushon is Karen Aulie, who is the director of corporate services branch. And in the back row next to Stan is Jack Zepp, director of business services, agri-business development branch. And next to Jack is Greg Haase, director of the lands branch; and next to him is Laurier Donais, senior manager of financial systems, corporate services branch. Next to Laurier is Rick Burton, who is director of policy branch. And next to Rick is Dave Boehm, and David is director of financial programs branch. Thank you very much, Mr. Chair.

The Deputy Chair: — I recognize the member from Saltcoats.

Mr. Bjornerud: — Thank you, Mr. Chair, and welcome to your officials tonight, Mr. Minister.

First question, Mr. Minister, is actually a two-part question. My colleague from Lloydminster wondered if I would ask you if there was any way you could make it rain in Lloydminster.

And my question is to do with water also. Is the PFRA (Prairie Farm Rehabilitation Administration) . . . As you know, the situation with drilling wells and dugouts — do you have any new information that you could share with us tonight?

Hon. Mr. Wartman: — I'll answer them in reverse.

With regards to the water program, it's in the federal minister's hands. We have seen a draft press release, and it's anticipated that it should be signed off by the federal minister, and we should be hearing very quickly. In the press release, it talks about people can immediately go for their . . . put their applications forward. So we're anticipating that in a matter of days now.

And with regard to the rain for Lloydminster, I think there's been a certain amount of success I can't lay claim to in the southern portion of the province. So I think if all those who've

been directing their prayers towards rain and moisture in the South would do so to the central part of the province, including Lloydminster, I think that would be a blessing to the whole province.

So thank you for your questions.

Mr. Bjornerud: — Well thank you, Mr. Minister. When we fill up in the South, probably we'll share a little with them too, but that might take a while.

Mr. Minister, I guess really that . . . and I know maybe you can't answer these questions, but I know the PFRA didn't have applications for him up to this point. We had checked. There was no forms available.

And I guess the other part is the deadline, and I suppose from the information you've received to this point you won't know what the deadline will be now because I think the information they had told us before was that they would push the deadline back. But at this point, I guess farmers out there are wondering how long they push it back. And really what we need is details now because there's a number of farmers, Mr. Minister, out there waiting to either drill wells or dig dugouts or whatever to get water to service their livestock and their farmyards.

Hon. Mr. Wartman: — Since this is a federal program and has been under their control as far as deadlines are concerned, we really don't know. I know that they've alluded to a deadline. Generally the program works its way through whatever funds they have available. And so at this point, we don't have details from the federal government on any kind of a deadline, no.

Mr. Bjornerud: — Thank you, Mr. Minister. I guess what I would ask then is, as information becomes available, if you would be so kind as to share it with us because we have, I think, each one of us, probably have farmers on a list that will want to know the details and how they can apply and so on. And I think we know where they apply, but the timing and things like that are going to be important.

So I thank you for your answers, and if you would share that information with it as it becomes available, it would be greatly appreciated.

Hon. Mr. Wartman: — I would be happy to share that information just as soon as we get it. I will let the members opposite know. Thank you.

The Deputy Chair: — I recognize the member from Humboldt.

Ms. Harpauer: — Thank you, Mr. Chair. The questions that I have right now are on the funding for PAMI (Prairie Agricultural Machinery Institute), which the minister should know is located in Humboldt, and it's my understanding that they've cut their grant money that they've routinely given to PAMI. PAMI is funded through an agreement with Saskatchewan and Manitoba. So I wanted to ask the minister tonight what type of agreement that is. Is it equal grants that they each provide? And if so, does that mean that Manitoba will also be cutting their funding to PAMI?

Hon. Mr. Wartman: — Thanks for the question. Yes, it is a shared funding program with Manitoba and Saskatchewan. Manitoba's funding is not as substantial as Saskatchewan's even with the 200,000 drop in Saskatchewan funding. But we have not yet heard from Manitoba about any change in their proposed funding.

Ms. Harpauer: — I would like to ask the minister, with his decision to cut his funding to PAMI, I guess the question is, does he no longer believe that the work that they're doing is as valuable?

Hon. Mr. Wartman: — As PAMI has developed over the years, they have taken on more private projects, and they are also getting more private funding. It's just a kind of an evolution of their operations, and we anticipate that will continue.

But certainly we appreciate the work that they are doing, and we're working with them to expand some of that work into livestock development as well. So we value the work they're doing. But just given the nature of the budget, the challenges that were there, our funding, and considering the more significant potential for third-party funding, we felt that this could be managed.

The Deputy Chair: — I recognize the member from Kelvington-Wadena.

Ms. Draude: — Thank you, Mr. Chair. Mr. Minister, and to your officials, I appreciate the opportunity to speak to you again, and this evening again it's going to be crop insurance is the issue that I'm concerned about.

The Kelvington-Wadena constituency is served mostly by the Tisdale branch. And in the year 2002 we had an enormous number of claims because of the snowfall that year and the frost and some of the other issues that were involved. So I would like to start by asking you, is the Tisdale claims office busier than the rest of the province? Is there, percentage-wise, do we have more people that are claiming through the crop insurance program than other areas of the province?

Hon. Mr. Wartman: — With regard to the claims in the North and the Northwest, that was generally the area that had most crop insurance claims. But when you look specifically at wildlife, the Tisdale area was certainly by far the most used.

Ms. Draude: — Mr. Minister, how many adjusters are there in that area?

Hon. Mr. Wartman: — On average there are about 10 to 15 crop insurance adjusters in any one office. But if there are significant claims in any particular area, they are moved around to try and meet the needs in the area where there are more claims.

Ms. Draude: — Mr. Minister, how often does an adjuster get audited?

Hon. Mr. Wartman: — There are between 1,500 and 2,000 audits done per year, and in those audits both the producers — the claimants — and the adjusters are audited in that process.

Ms. Draude: — Through this audit process, how often is an adjuster actually fired?

Hon. Mr. Wartman: — Generally it would be less than one per year . . . would be terminated. I think that generally the Crop Insurance would look and see, could further training help, if there was some problems in the audit. And if it's determined that the training might help develop the skills, if that was a concern, they would receive that. But in terms of firing, termination — less than one per year.

Ms. Draude: — Mr. Minister, we've had a chance to speak about the auditor in my area, or the adjuster in my area who lost his job because of some of the audits that were taking place. And I understand that after the audits were done of the claims in my area, there was three or four audits who basically didn't . . . the new auditor didn't agree with the auditor, and it caused this one person to lose their job.

Now I don't understand that there was a lot of difference in the amount of money that was involved in this issue. Can you tell me why one auditor would . . . or one adjuster would lose his job because of something that's happening in his area when there's only one auditor in the province who'd lose his job per year?

(19:15)

Hon. Mr. Wartman: — The area that you're referring to and the particular situation, it's my understanding that, after the audit, the adjuster lost his job. And there were concerns both about accuracy and integrity in the work that was being done, and so as a result of that, Crop Insurance filed a complaint with the RCMP (Royal Canadian Mounted Police) with regard to these activities. And because of that I would not be inclined to comment further about the particular case.

Ms. Draude: — Mr. Minister, the case that we're talking about was about a year and a half ago now. There's been no charges laid, and the people that I've been speaking to have not had an opportunity to talk to anybody who will listen openly about the case.

When I spoke to you or to some of your officials about it, they'd said that one of the problems was the high amount of compensation that they were paid or that was offered to them. And at that time I wasn't aware that what we were speaking about was the difference between the cost of canary seed and field peas and wheat or barley, which you and I both know has a significant difference in dollar value.

And the people that I'm talking to said that nobody has actually had an opportunity or taken the chance to sit down and talk to them about the issue specifically involving their case.

We do know that neighbours on three sides of these gentlemen had big game damage and crop damage. There was no problem with any of these other claims. And we also know that these people were told that the damage in their field was to do with cattle, not big game. Mr. Minister, neighbours on three sides of them received big game damage. Why would this office determine that when three neighbours had big game damage these people wouldn't have big game damage, it would only be

from cattle?

Hon. Mr. Wartman: — Well first of all, the reason for the audits in this area is that there were significant amounts more were paid out, considered larger than what was appropriate in the year, and it kind of raises a red flag that calls for the audit.

Secondly, with the work that is done and the auditors would take it to the producer, explain what the situation was. And it has progressed from that point to where the lawyers for the producer and for Crop Insurance have been in discussion, and it is also before the RCMP, and we certainly do not control the timelines for their investigation. But they are . . . the complaint was filed and it is our understanding they are looking into it.

Ms. Draude: — Thank you, Mr. Minister. As I indicated previously, the amount of money that was paid out or that was claimed for is definitely because of the type of crop that was involved, and of course there's going to be more money involved. And we also know that it maybe has been taken to the police but nothing has come from it.

And in the meantime we've got farmers who are trying to work in a situation where they not only don't have the cash flow from two years ago, they can't get crop insurance at all. They are expected to pay not only back the money they received, but penalties and interest and crop insurance premiums from previous years, and it's making it difficult to impossible to farm.

Mr. Minister, I know that you're aware of how difficult it is to farm nowadays, and it's extremely difficult when your family has this kind of situation hanging over their head where they can't even go to their bank because crop insurance is necessary in order to receive . . . get your line of credit and the bank loans. They feel that nobody is listening to them and that there is already a pre-decision by your government, by the Crop Insurance office, that these guys are guilty. The RCMP hasn't charged them with anything and nobody will come out and actually speak to them.

When we've had the opportunity to go over the whole scenario, I'm sure that reasonable people would see that there are two sides to the story. If you decide you're going to build a case and get all the information you can around it, you can usually arrive at that conclusion, any conclusion. But if you go in with an open mind you might decide that there are two sides to the story. And I guess what I'm asking for the people in this area is if your Crop Insurance office will sit down, without the blackmail ability of saying the RCMP is involved, and just listen to the story and see if something else can't be looked at.

There are issues here that are causing these farm families to decide if they can even stay on the land. They've got a lawyer involved only because nobody's going to listen to them. They've tried for a year and a half to speak to Crop Insurance officials not only in Tisdale but directly to your office. And it's got to the point now where they have no faith in the system, and not only do they not have faith in the system, but a lot of people around the area don't.

It doesn't make any sense that somebody could be charged saying that there is a damage with cattle when everybody else

around them has received claim damage because it's of wildlife, elk. In that area that year they had 18 witnesses who said there was between 50 and 60 head of elk on any one piece of land at a time. We know that that year there was early snowfall. We know that there was early frost and there was a huge problem even trying to not only get the crop off but to determine in the spring whether they should be harvesting, or seeding, and waiting for crop officials to come to them and say what they could be doing.

When Crop Insurance makes the decisions on how somebody should farm, I think there is something wrong with the system. So I guess what I'm asking for these two individuals — and I have had a chance to give you the information to let you know that they are quite willing to let you speak to me about their issue — I'm asking that you will sit down and talk to them about their issue and see if somebody can't come into the situation with an open mind.

Hon. Mr. Wartman: — Well I think what is important to keep in mind is that really Crop Insurance does have an obligation to all those who are participants in the program to make sure that what they are doing is broadly, fiscally responsible. And they must follow a set of processes, which in this case they have done.

In terms of the auditor going to the producer, listening to the producer, going through the audit with the producer, and basically outlining what the concerns are, the producer has an opportunity at that time to counter those concerns with the facts as they see them. And then the auditor's report, I believe, goes before the board. And it was really determined that there was a reason for concern here.

The solicitors went through, looked at this. And as a result of all of those parts of the process and the commitment of the Crop Insurance Corporation to fiscal responsibility to all participants, they have determined that in this case that it is responsible to turn it over to the RCMP for their investigation. And we cannot control the RCMP's timeline.

Ms. Draude: — Mr. Minister, is this big game damage as well as crop insurance damage?

Hon. Mr. Wartman: — Basically Crop Insurance handles both big game or other claims in exactly the same way. Same processes are used. In this particular case there is significant concern that there is misrepresentation regarding the claims, and so the big game claim coverage has been denied and crop insurance cancelled for these particular folks.

Ms. Draude: — I feel like I'm banging my head against a brick wall, but I'm going to make one more statement. On October 11 was actually the day that the adjuster came out and made the adjustment. He'd already checked the field over and determined that there was big game damage. It was at the end of November before the RCMP became involved with the cattle. It was a month and a half in between that time where there was . . . before the RCMP even got involved.

I think there's a change in the dates that maybe the crop insurance adjusters or the minister isn't aware of, that there's a lot could have happened in that time. And I think it's something

that maybe isn't stressed enough, that there is a problem in the time frame and things that may be happening out in the area. I'm wondering if the minister has checked the dates.

Hon. Mr. Wartman: — Given the circumstances, it is our determination that the Crop Insurance Corporation is confident in its presentation, and the legal process will sort out the details and make its determinations. But we cannot do that in this office.

Ms. Draude: — Thank you, Mr. Minister. I'm aware that I'm wasting my breath — my mother used to say, save your breath to cool your coffee — because it seems like that's what's going to happen here tonight. But in the meantime I want you to know that there's two young families out there whose life is held in abeyance because of something, a decision that's made in an office in Regina and they have . . . nobody's listening to them. And I can't imagine anything worse than taking hope away from people.

(19:30)

You're saying that it has to be in the hands of the RCMP and nobody is talking to them. We're talking about two years since people have had any hope to believe that in Saskatchewan it pays to farm. And we've got the weather, we've got crop prices, we've got influences outside of the province are making an impact on this family. And at the same time we have a government that's refusing to listen because they've decided, without listening directly to the individuals involved, that this case is closed.

I think that there are people out there today who are saying, you know what, I can relate to this. I know in my area there's more than this young family. In fact there's 12 or 15 people who have contacted my office in the last while saying they've had the same kind of scenario.

Crop insurance is not . . . is supposed to be an insurance policy. It's not supposed to be something that strangles you. Right now these people don't have an opportunity to go to their bank to have a line of credit, because without crop insurance for sort of the fallback they're not allowed to even get a bank loan. We've got people who are going to go under because of decisions you're making before the RCMP is involved, before the court system is involved, before anything is involved. The decision is made already because of a refusal by your department or your government to look at individuals. And that's what this is supposed to be about.

I'm speaking to you today on behalf of people who can't be in here because they're trying to make a living out in the fields in Saskatchewan. I'm hoping that your government is going to look at individuals and see that they are part of the system, and we're here because of people like that. Thank you, Mr. Minister.

Hon. Mr. Wartman: — Thank you both for your comments and your concerns. And I understand that it is important for you to represent, for the member to represent her constituents, and appreciate the compassion that she obviously feels for them.

However, it is also vitally important recognizing the work that

Crop Insurance has done, paying out over \$1.7 billion over the past few years in support of agriculture and continuing to be a very good, strong program supportive of agriculture.

We recognize that, for the most part, the claims that come in are valid. They are supported, and the producers who are investing in crop insurance are being supported by the crop insurance program. But there are those who, over the years of experience in the program there are always a limited number of people who try and take advantage in some way of the program, and the Crop Insurance Corporation must be ever vigilant to make sure that that is not happening. Because they are responsible for all people who are participating in that for their resources, and so have been working very diligently in this and other cases to make sure that they are doing a good job on behalf of all producers. And we trust that the due process that was indeed followed in this case to this point and will continue to be followed will in the end provide for a better crop insurance for all people in the province.

Ms. Draude: — Mr. Minister, I am well aware that your job is to make sure that all people are protected and we don't want to have one or two individuals that are running loose, high, and dry with people's money. But at the same time it seems to me that these people are guilty until proven innocent in your government department's eyes.

I thought it was supposed to be the other way around. There has been two years — two years since this claim has come forward and there's been no charges laid. And nobody's been able to back up anything that would make them believe that there's something to be, that they should be either ashamed of or something that there was some kind of wrongdoing.

Mr. Minister, could you please explain some kind of an appeal process that's going to work so that somebody doesn't have to have their life on the line for two years wondering what your department is going to do?

Hon. Mr. Wartman: — To the member opposite, if it would help in terms of facilitating this process, the corporation would be prepared, through its lawyers and the producer's lawyers, to meet again to go through and see if there is some way of resolving this at this point.

And basically that's about the best that we can do at this point in being responsible with our duties as well. But we can, I think, extend that opportunity for another meeting between the producers and the Crop Insurance solicitors.

Ms. Draude: — Well you ask for an inch; I'm going to try and take a mile. So I'm wondering if it has to be lawyers. Why can't we have the people, the real people that are involved? Not the lawyers, the people that are trying to farm the land and the people that are trying to govern the province get together and discuss this issue. When we get lawyers involved, regardless of who they are, we've got another set of circumstances.

I'm wondering if there . . . Can you have a commitment that somebody from Crop Insurance will meet with my constituents to see what the issue is, and then go back to the lawyers and tell them what the game plan is instead of the other way around? I have enough faith in my constituents and in the government to

know that we should be doing it that way and not working through the justice system when there's no charges being laid.

Hon. Mr. Wartman: — Really the producers can determine for their part how they would like to come before the Crop Insurance, but Crop Insurance for its part will be very clear that their solicitors will be there engaged in a meeting. So the producers themselves could make a choice, but I think would be ill-advised to meet without their producers present . . . pardon me, without their solicitors present.

Ms. Draude: — Thank you, Mr. Minister. Well I will ask them if they want to do that. But I guess maybe then after we've had an opportunity to finish estimates tonight we could determine a date when they could get together. And I thank you for your co-operation.

The Deputy Chair: — I recognize the member from Moosomin.

Mr. Toth: — Thank you, Mr. Chairman. Mr. Minister, and to your officials, I have a couple of issues that I'd like to raise with you tonight.

First of all, one issue and it's not specifically related to the BSE (bovine spongiform encephalopathy) issue and the fact of different people finding methods of how they can derive income from their livestock as a result of the situation which I guess is a year old now.

It's regarding meat processing and the trade of meat interprovincially. You received a letter back around the first part of March from a gentleman in the Wapella area — a letter that was, as well, sent to Minister Wowchuk in Manitoba. And as we're . . . The fact that we're on the border, this gentleman here happens to be growing organic meat and has been taking it to an abattoir in Virden, Manitoba, and would like to be able to sell it back across the border. Unfortunately, because of the fact that this is just a provincially inspected plant, as I understand it, they're unable to sell the meat back across the plant, unless he pre-sells it and then an individual takes it there for processing.

I'm wondering, Mr. Minister, what your department has done in responding to this question and whether or not there's dialogue with Manitoba and if there's a way we can arrive at a process that allows for slaughter and processing of meat from Manitoba plant and move back in or sold to Saskatchewan consumers.

Hon. Mr. Wartman: — Well currently the . . . any interprovincial trade in meat is run by the CFIA (Canadian Food Inspection Agency). And in terms of being able to purchase across the border, you're right that if the animals are pre-sold then they can be slaughtered, processed, and returned.

But outside of that it's under the CFIA's jurisdiction and at this point what we are doing is we're encouraging processors in the province where possible to look into being federally inspected rather than provincially inspected, which will enable them then to trade across borders.

And we also, I think . . . and the member I'm sure is aware of the developments with Natural Valley and we think that for their developments they are also looking at being federally

inspected so that can expand their area of market. And we think that'll be a good alternative for producers in the member's area.

Mr. Toth: — Thank you. Minister, the facts are, though, Natural Valley is still in the stage of getting up and running. No doubt about that. And as well the . . . when you're processing organic meats and verifying it, it's just a matter of setting . . . and I believe the abattoir in Virden takes certain days where they specifically just process those animals just to verify the authenticity of that product.

And it would seem to me that for the Natural Valley Farms as well, they'll, as I understand it, they're going to . . . well they're getting into different kill, even cervine animals like elk and what have you.

The facts are, though, Mr. Minister, being on the border . . . and I realize that if you had a federally inspected plant there would be no problem. You could move that product into a retail outlet, either/or.

For some of these smaller plants, I think they process . . . well they have the provincial certification. It just isn't, they just don't have enough movement to actually go for federal certification. And has there been any discussion as to what can be done to go beyond where we are today, or are we just specifically tied to the federal inspection of those plants?

Hon. Mr. Wartman: — There really is high risk in even looking at moving to interprovincial trade without the CFIA or federally inspected process. And as I understand it, it's kind of a matter of going to the . . . if you go to the lowest common denominator, that also impacts on your international trade. And I think what we're looking for in our foods are higher standards rather than lower standards.

And so in order for any changes to be made in terms of interprovincial movement of meats and agreements on standards, really they have to be . . . the whole federation has to agree. And that is why CFIA is the key player — to make sure that we have high common standards across the nation. And so we are not looking at lowering those standards to a provincial level.

Mr. Toth: — Mr. Chair, Mr. Minister, I thank you, and I'll get back to this gentleman. Your department probably has as well, but just to reaffirm that. And maybe you can talk to the abattoir and just see what the process is, if there is any potential. But the fact that Natural Valley Farms is now coming forward to put up a slaughtering and processing plant certainly will open further doors to meat processing in the province of Saskatchewan.

Mr. Minister, I have a further question and this one has to do with lands branch. And it's my understanding that if an individual family is leasing land from the government, has put forward a bid and is leasing land, and then that family decides that they're going to get totally out of farming and there's no family member to pass the farm on to — they're just totally exiting agriculture — that that land, the land they've leased, would go back to the Crown to be re-leased rather than tying it to the land for sale. And I need a clarification on that.

(19:45)

Hon. Mr. Wartman: — In terms of the transfer or the sale of the land, the leased land can be assigned either to a family member who is inheriting, or if there is a sale pending, the land can also be transferred with the sale.

If however it is just let go, the Crown takes it back and offers it up for re-lease.

Mr. Toth: — Mr. Minister, in the process of a land sale, and the fact that any time any land comes up and bids are put forward, a number of bids usually would come in, I would anticipate. And there's a point system that most people have to arrive at and achieve in order to even be given the opportunity to lease that land.

Now as I understand, this particular parcel of land that we're talking of, there were a couple other farming groups right in the area just came up short of the individuals who had applied for and received the lease. And it seems to me the land in question is a fairly good land base to start with.

Would the department look at other operators in the area, and if that lease that is now being actually terminated — because the land is up for sale and it's not going to any family member — would the department look at other potential landowners who would, if that lease was available to them, would make their farming operations more viable? Would they take that into account, or do you just automatically transfer the lease with the sale of the land?

Hon. Mr. Wartman: — The person who is actually selling their land can assign that to the buyer. It is as a package. The leased land with the owned land is as a package, and the person who is selling the land could assign it to the buyer or, in the case of a transfer to a family member, can transfer it that way.

But if that leased land is not going with the sale package, then it does just revert to the Crown. There isn't a third option of the seller selling the leased land separately to another person in the area. It goes back to the Crown and then goes up for re-lease.

Mr. Toth: — Mr. Minister, one final question in regards to that leased land. As that land sale then proceeds, you said the landowner has the opportunity of assigning the lease to the new landowner. In that case, would the department then sit down and renew or come up with a new lease agreement or does that lease agreement of the former landowner then move to the purchaser and the purchaser works with that old lease agreement?

Hon. Mr. Wartman: — The leases are 33-year leases and if there is a term left, it's assigned for that term, and when the term expires then it would be potentially . . . well the person who's got it would renew it.

The Deputy Chair: — I recognize the member from Thunder Creek.

Mr. Stewart: — Mr. Minister, a couple of questions about provincially inspected cattle slaughter plants. Could you tell us, Mr. Minister, is there any regulations or any legislation in this province preventing downer animals from being processed into food for human consumption?

Hon. Mr. Wartman: — First of all I'd like to — for the member that was asking questions previously — just like to correct a misunderstanding that I had in the answer, and somebody may want to note to the member that I'll correct this for him. That when the land is sold, the person who gets the assignment actually has the opportunity at that point to renew it for 33 years and is not just obligated to take, say, if there's five years left, just five years. But they can at the point of sale and transfer, renew for an additional 33 years. Okay?

And secondly with regard to the downers, at the provincial plants — and we only have the one federally inspected plant — but at the provincial plants, CFIA is inspecting all the downers. And in the case of a downer, the meat is held until the results of the testing come back. It is not put into the food system. And if the tests come back and there's no problem, then it can be moved into the food system but not until it has been tested; and all downers are tested.

Mr. Stewart: — Thank you, Mr. Minister. I understand that in the case of federally inspected plants there is no legislation either, but the thing that prevents downers from getting into the food supply through federally inspected plants is that it's prohibited for plants which export any product to the United States. Could the minister verify if that's correct?

Hon. Mr. Wartman: — There is no legislation, but there is agreement that no meat from downers will flow into the United States. That is by agreement and not by legislation.

The Deputy Chair: — Yes, I recognize the member from Humboldt.

Ms. Harpauer: — Thank you, Mr. Chair. I wish to spend a little time with the minister on the agricultural policy framework. And we'll start with the CAIS (Canadian Agricultural Income Stabilization) program.

When the federal government announced the CAIS program, they announced an allocation of funding for that program for five years. And they shortly after said that the money would be allocated to the provinces each year based on demand. Now I know that this was something that our province was very glad to hear. It was something that the former Agriculture minister had lobbied for, and it meant the scrapping of the Fredericton formula which was introduced in, I believe, the year 2000. It treated Saskatchewan very unfairly. The federal government, in announcing a sum of money to be used or towards the program for five years, committed their money.

How did the province at the time of signing or during the negotiations . . . the parts of the negotiations that they could take part in, considering they didn't sign the agreement in intent for some time. How did the province plan or see that they were going to be able to participate in this program? How were they going to have a long-term vision of how they were going to be able to supply the money that would be required from the province to participate in this program?

Hon. Mr. Wartman: — I think one of the determinations . . . I mean this is primarily demand driven. And the expectation would be that, out of the money that the federal government is putting forward for CAIS, that in terms of demand we would

need in the neighbourhood of \$300 million from the federal government. And on the 60/40 basis that the federal government basically has said the program is going to operate under, that would mean a \$200 million draw from the provincial government every year. And we felt that over time that we could handle that kind of an average. But with that 60/40 split and with the increased demand, it quickly becomes very challenging for this government to move beyond the \$200 million per year.

Ms. Harpauer: — How much is the minister allocating for the CAIS program for this year?

Hon. Mr. Wartman: — It's 98.776 million.

Ms. Harpauer: — Mr. Chair, I find that answer rather interesting because he just said they entered the negotiations anticipating that it would probably cost the province in and around \$200 million. So in fact, taking part in the negotiations, convincing the federal government and the other provinces . . . and not all of the other provinces wanted to see the scrapping of the Fredericton formula. So negotiating and bragging quite frankly, afterwards saying that they won on that particular front, knowing that it would probably cost the province in and around \$200 million, they did all of that. They bragged about their accomplishments, and yet now he is saying they only budgeted \$99 million. Could he explain the shortfall?

Hon. Mr. Wartman: — Yes, when we're talking about the APF (agricultural policy framework), we're not speaking just solely about CAIS. We're also talking about crop insurance, and it's for the business risk management of CAIS that we do our budgeting, and that budgeting is in the neighbourhood of \$200 million per year.

And so it is for the APF, as I indicated, that the federal government will be putting in by demand roughly 300. That was the expectation, and demand then on us would be 200 million.

(20:00)

Ms. Harpauer: — So I'm assuming . . . Is the minister telling us that he feels that 99 million will cover the demand of the CAIS program?

Hon. Mr. Wartman: — The determinations that were done in terms of demand were basically done around a normal or an average year. The federal government has done some figuring but really will not have accurate data for us for the '03-04 until sometime in the fall when they have begun processing the numbers.

But early indications are that the demand on the CAIS program will be more than the 99 million, and that concerns us. At that point if it's beyond that, we are concerned that we might have to pro-rate, and we would rather not have to do that.

Ms. Harpauer: — On December 22, 2003, the former Agriculture minister put out a press release stating the following, and I quote:

“Saskatchewan is signing the APF because we're able to

achieve a number of significant improvements over the previous safety net agreement . . . ”

That same release pointed to positive things or issues that the minister thought was positive. And he also had a number of interviews later and was quoted in a number of news articles saying that he wanted to see the coverage of negative margins and expanded caps.

Can the minister tell us if the producers of this province will be covered for negative margins under the CAIS program?

Hon. Mr. Wartman: — We certainly appreciated the work that the former minister did. I think he worked with great diligence and heart to try and make sure that we could get the best possible conceptual plan available, the one that would give the best support to our producers. And that plan included negative margins and cap.

But we also recognize that, given the numbers that the federal government has been putting forward now, that though theoretically . . . and clearly I think it is in terms of design the best plan that has those elements to it. With a fixed budgetary amount of \$99 million, with negative margins and an increased cap, that can be stretched relatively thin.

And that is a matter of concern for us and a concern which I think I've indicated in this House and in other places. We are addressing with the federal government, trying to negotiate with them kind of an equity piece to the program that will account for the fact that we have a huge agriculture sector in this province and relatively small population. And so on that basis we are continuing to press the federal government for a program that will better support our producers and that we will be able to manage better economically.

Ms. Harpauer: — Mr. Chair, I wonder if the minister could tell me what happened in the last four months that changed the department's mind. I don't think they had a total turnover in staff. I don't believe there has been a change of government that all of sudden discovered that the financial house of the government wasn't in order the way they thought it was. It's only been four months since the previous minister was lobbying for these two changes to the CAIS program, and within four months they've completely reneged on that.

But the damage isn't just going to be the fact that the producers will not have that included in their program in Saskatchewan. The damage is that this has been the practice of this government now for a number of years, and we're damaging our relationship with negotiations with the federal government. You cannot continue to go down the road, and it started with AIDA (Agricultural Income Disaster Assistance) and Eric Upshall and went on to CFIP (Canadian Farm Income Program) and Dwain Lingenfelter and then onward. You cannot continue to say this is what we want; oh no, it's not. This is what we want; maybe not. Oh maybe not, and we won't agree to this. We won't agree to that unless we have this and then turn around and say, oh we got that, but now we don't want it. You just can't do that and expect the federal government to continue to negotiate with us in good faith.

What happened in four months — in four short months — that

we were willing to basically turn around and jeopardize our relationship with the federal government, because we just had a minister that negotiated for these changes? Now we're saying we don't want them and refuse to sign on. We're holding the whole program again as . . . It's a hostage program again because a number of provinces have signed on. They're waiting for three provinces, one of which needs to sign in order for the program to roll forward. What changed in four months, other than a minister that doesn't understand his portfolio?

Hon. Mr. Wartman: — Well I really don't appreciate the member's tone, but I guess, you know, we recognize that there's been a relative negativity coming from that side for a significant number of years. And we don't expect much different at this point.

What I would like to point out is that from the very beginning the federal government has imposed a 60/40 split on the province. In that case, we are still obliged to try and develop the very best programs that we can possibly get.

Saskatchewan is not alone in terms of continuing to press the federal government for programs that will allow the capacity of the provinces to be able to provide those programs for the producers. I think that the people of this province would expect no less of this government and this representative to do my very utmost to get the best deal I can for the producers in this province, and for our government to back that up all the way through the process.

When we look right now at what we are doing as a province, we are, as a province, putting more than \$500 per capita into agriculture — far beyond what any other province is doing.

If you look that at a family basis, \$2,000 per family our taxpayers are putting into agriculture in this province. That is far more substantial than any other province. And in terms of fiscal responsibility, we want to make sure that in a program that we've got, we can manage that in a way that our producers will be able to count on. I think that producers expect no less of me, of this government, of the former minister. And I know that the former minister and the department were working hard to try and get the best financial deal that they could, along with the best framework deal.

Ms. Harpauer: — Thank you, Mr. Chair. It's interesting that the minister would comment on tone, but the 60/40 split existed when the former minister was negotiating for negative margins and a change in the cap. That split was in existence when he made those negotiations. You got what you wanted; why won't you sign?

Hon. Mr. Wartman: — Just a note . . . and I know that the member will be aware of concerns around timing. But in order to get crop insurance in this province — and there are timelines there — the minister did need to sign. But the minister, the previous minister, did not stop pressing for a better deal for Saskatchewan. The department did not stop pressing for a better deal for Saskatchewan, and I have not stopped pressing for a better deal for Saskatchewan.

In terms of the framework, the draft of that program, we agreed within what we had. That's the best program that we could get.

In terms of the financial arrangements around that, we are not happy with them at this point. Several other provinces are not happy with them at this point. But in order for us to get crop insurance to be able to provide for the needs for our producers, the minister was obligated to sign when he signed.

Ms. Harpauer: — Did the former minister — did he, or did he not — negotiate for recognition of negative margins and increasing the cap? Did he or did he not ask for that from the federal government?

Hon. Mr. Wartman: — Saskatchewan, I think I have said previously and I will say again, Saskatchewan supported it in its development, we support it today, and we will continue to support it. We believe that that is the program, properly funded, that will provide the best support for producers in this province.

Ms. Harpauer: — Thank the minister for that comment, but does he have any thoughts in the question? The question was: did the former minister, did he or did he not negotiate for recognition of negative margins and an increase in the cap? That was the question — not whether or not he supported the program. Did he or did he not negotiate for those two components?

Hon. Mr. Wartman: — As I indicated in the previous answer, we did from the beginning support that development. Our minister represented the position at the negotiations, federal-provincial negotiations on this. And I think we were well represented by the former minister on this front.

And indeed we believe that the . . . and continue to believe that negative margins and an increased cap will provide the best protection for the producers in this province.

But we were not alone there. And we couldn't have been alone there because there needs to be a requisite number of provinces sign the agreement in order for the agreement to move forward. And those provinces are looking at this and thinking clearly about, how does this fit; can it be managed. That's where we're looking at going.

But we do believe that in terms of a program that will best provide for the needs of producers, this has the elements.

Ms. Harpauer: — The minister is correct when he says he's not alone because seven provinces have signed the amendment. What he's going to be alone on is not signing, if he continues.

But what is the point of asking for something and then when the federal government does offer it, turn around and say no, we no longer want it? That is just going to do a lot of damage to the negotiating power that we have with the federal government going into the future.

(20:15)

They must be awfully frustrated with Saskatchewan because every time they turn around Saskatchewan is saying no, they don't want it; and then they'll say, but we want this. The federal government did make some movement. They did scrap the Fredericton formula. They did look at the negative margins and increasing the cap — all of things that Saskatchewan asked for.

The minister made reference in a couple of his answers that the province was in a bind because they really didn't know how much the program would cost. Now to a degree I agree. We have no way of knowing what the crop will be like. We have no way of knowing what the markets will be like a year in advance; however, we do have a history.

And he also referred that, you know, the federal government hadn't given him the numbers yet. Do we have no one in the department that is crunching those numbers so that they have some indication going into the future of what this program may cost us, of the worst case scenario, of the best case scenario? And do we not know the numbers, or at least ballpark numbers of what it would cost the province if we did participate in negative margins?

Hon. Mr. Wartman: — Over the five years of the program as the federal government had laid it out, they are looking at managing the program with 1.1 billion across the province for both CAIS and . . . or across the country, pardon me, for both CAIS and crop insurance.

And when we looked at the programs, we're looking at roughly over that same period — and we've tried to do this on averages, given their figuring — that the draw, the demand would be roughly \$200 million. But when we look at the estimated figures that are coming forward for the '03-04 year, those range between 150 and 350 million for the provincial portion of the program. And that's for the CAIS only portion of the program.

So you can see with that kind of a range it's quite challenging to try and plan, and especially when you're set with a 60/40 that's kind of in stone. So that's why the provinces really are pressing the federal government for some flexibility. It's just with the numbers that they're bringing forward, you've got those kind of ranges. And it will be, I think — for all provinces, but particularly for a province like this with the huge agriculture sector — quite challenging to meet the needs.

Ms. Harpauer: — I thank the minister. There was an article in the *Western Producer*, and I apologize for not having that here with me tonight, that suggested that the covering of the negative margins and . . . I believe the increase in the caps was estimated to cost our province between 12 and \$14 million. Now I can't quote that because I don't have the article here. There was also some indication that perhaps the federal government would consider a loan, and there was speculation of whether or not the province would want to participate in that.

Is that something that has been approached or been proposed by the federal government to the provincial government, and is the provincial government looking at that?

Hon. Mr. Wartman: — The letter from your constituent was relatively close. The estimation at this point is that the negative margins would be about 12 million and the increased cap would be roughly 3. So we're estimating somewhere in the neighbourhood of \$15 million for those programs.

Now you asked a second part of the question as well. Oh yes, did the federal government offer any kind of a loan program. And in fact they were raising the issue of a loan as one possibility as we've continued to engage in discussions with

them.

The problem with taking a loan, and again for . . . or saying that yes indeed, that's the way we'll go forward with the program, is that again we're in that range, anywhere from 150 to \$350 million, and we don't know what kind of a loan there might be on the end of that.

And with our accounting rules, that any loan amount that was put forward by the federal government would have to be booked in the year that it was used, and so for us to try and account for that, I expect there's probably people in the opposition would be right after us for increasing the debt or something like that. I know there's been a bit of a history around that so we could probably expect it. I know, I know, I'm probably just, I'm probably just imagining things but I've heard it before so I expect we'd probably face it again.

Ms. Harpauer: — I thank the minister for that. It's interesting, when he talked about negotiating the best deal for producers all the time. We blew 24 million, I believe it is, in Retx which is a dot-com company in Atlanta, Georgia. We spent 12 million on Our Future is Wide Open but haven't attracted one company to our province through . . . or one investor to our province through that campaign. So it depends on the will and it depends on the priorities.

The producers of the province are a little disheartened and they have every right to be, and they are questioning the government's commitment to agriculture. They keep on using agriculture as an excuse for their financial difficulties and yet they're not willing to participate in the programs that are available.

They talk about an unlevel playing field globally. We all have. We've talked about unfairness of the unlevel playing field that Canada has when it comes to grain prices, and yet we have an equally unlevel playing field right here in our own country because this province didn't participate in the transition payment which was that 1.2 billion over two years.

We have a crop insurance that, quite frankly, doesn't stand up to our neighbouring provinces. And if the minister doesn't believe that, I would be more than willing to supply him with some farm scenarios and he could put it through Alberta's program, Saskatchewan's program, and Manitoba's program; and we're sadly short. We're looking at pro-rating CFIP and now he's saying that we're not going to fully fund the CAIS program.

I had gone back and read the press releases from the different provinces when they signed the CAIS program . . . or signed the APF, I'm sorry. And it was very interesting when you got to the clause to deal with the business risk management. Alberta put out a press release dated June 4, 2003 and it reads, and I quote:

The implementation agreement commits Canada and Alberta to delivering national programs on business risk management for producers. The funding provided to the industry through these programs will be driven by demand. Canada and Alberta will, however, commit \$69.667 million over three years to support the transition from existing programs to the new business risk

management programs.

So an additional transition program.

Manitoba press release dated September 19, 2003:

The implementation agreement commits Canada and Manitoba to delivering national programs on business risk management for producers. The funding provided to the industry through these programs will be driven by demand. Canada and Manitoba, however, commit an additional \$42.333 million over three years to support the transition from existing programs to the new business risk management programs.

Ontario signed their agreement, and their press release is dated December 11, 2003. And under the business risk management it reads, and I quote:

The implementation agreement commits Canada and Ontario to delivering national programs on business risk management for producers. The funding provided to the industry through these programs will be driven by demand. Canada and Ontario will, however, commit \$171.18 million over three years to support the transition from existing programs . . . (should) the new business risk management

Let's check out Saskatchewan's press release, Mr. Chair, and you go to Saskatchewan's agreement, which was signed on December 22, 2003:

The implementation agreement commits Canada and Saskatchewan to delivering national programs on business risk management for producers. The funding provided to the industry through these programs will be driven by demand.

That is yet another unlevel playing field for our producers. And we can talk all we want about making it a priority, but your actions say otherwise.

Hon. Mr. Wartman: — Well once again, I appreciate that the member opposite has an opinion and a view of the way that the world works and the way that Saskatchewan operates. It is at variance with ours, and we do try and deal with the realities that we have here like three years of excessive drought, a large agriculture sector, and a smaller population. We also, as the member should be well aware, have been dealing with an equalization that is confiscatory, and we are looking at provinces on either side of us with very different situations.

And she's talking about a level playing field. Well 1.2 billion for a province with very similar population and equalization is incredible compared to the 120 million here. And so if we're talking about a level playing field, then we need to look at a level playing field.

And I'm sure the member really does want to hear my answer because I listened to her question. I expect the same from her — that she might listen to the answer, that in this government we have said and we have committed and we have worked hard to make sure that within the means that we have within this

province, that we are providing the very best we can for producers in this province. We have done that. We were there in very, very difficult situation last year, providing \$130 million off budget for producers in this province. We have provided up to \$55 million extra dollars for BSE.

And so if the member is talking about a level playing field, I think this government has been a little over and above the level playing field in terms of the kind of commitments that we have made and the dollars that we have actually expended in terms of support for producers in this province in very, very difficult circumstances.

(20:30)

So I think in terms of the opinion, okay, I accept that. That's the way the member opposite sees the world. But in terms of the work that we're doing and the work that we're doing with the federal government, we still are looking to try and develop the very best program that we can to support the producers in this province.

And I would like to thank my officials for their support during this time of estimates.

Mr. Stewart: — On behalf of my colleagues, I would also like to thank the department officials for all the help that they have provided us tonight. Thank you very much.

The Deputy Chair: — I recognize the House Leader.

Hon. Mr. Van Mulligen: — Mr. Chair, I would like to move the committee rise, report progress, and ask for leave to sit again.

The Deputy Chair: — It has been moved by the House Leader that the committee rise, report progress, and ask to sit leave again. Is it agreed?

Some Hon. Members: — Agreed.

The Deputy Chair: — Carried.

The Speaker: — I recognize the Deputy Chair of committees.

Mr. Iwanchuk: — I'm instructed by the committee to report progress and ask for leave to sit again.

The Speaker: — And when shall the committee sit again? I recognize the Government House Leader.

Hon. Mr. Van Mulligen: — Next sitting, Mr. Speaker.

The Speaker: — Next sitting.

GOVERNMENT ORDERS

ADJOURNED DEBATES

SECOND READINGS

Bill No. 17

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Cline that **Bill No. 17 — The Department of Energy and Mines Amendment Act, 2004** be now read a second time.

The Speaker: — I recognize the member for Thunder Creek.

Mr. Stewart: — Thank you, Mr. Speaker. It's my pleasure to enter into the debate over Bill No. 17, The Department of Energy and Mines Amendment Act. Mr. Speaker, this Bill simply makes official the change in the department's name to Industry and Resources from Energy and Mines. Obviously the changes being made here are very technical in nature, simply taking into account the change in the department's names and organization made, I think, last year.

We certainly don't underestimate or gloss over the important contribution that the energy and mining sectors make to our economy. But, Mr. Speaker, this Bill being strictly of a technical, housekeeping nature, I would move this on to the Committee of the Whole.

The Speaker: — The question before the Assembly is the motion moved by the Minister of Industry and Resources that Bill No. 17, The Department of Energy and Mines Amendment Act, 2004 be now read a second time. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Clerk: — Second reading of this Bill.

The Speaker: — And to which committee shall this Bill be referred? I recognize the Minister of Industry and Resources.

Hon. Mr. Cline: — Mr. Speaker, I move that Bill No. 17, The Department of Energy and Mines Amendment Act, 2004 be referred to the Standing Committee on the Economy.

The Speaker: — It has been moved by the Minister of Industry and Resources that Bill No. 17 be referred to the Standing Committee on the Economy. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried. This Bill stands referred to the Standing Committee on the Economy.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on the Economy.

Bill No. 21

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Thomson that **Bill No. 21 — The Saskatchewan Association of School Business Officials Act, 2004** be now read a second time.

The Speaker: — I recognize the member for Kelvington-Wadena.

Ms. Draude: — Mr. Speaker, I had an opportunity to speak about this Bill on a previous day and had some information from concerned people that are looking at it. And I think any of our further discussions could be held in committee, so I move this Bill be moved into committee.

The Speaker: — The question before the Assembly is the motion moved by the Minister of Learning that Bill No. 21, The Saskatchewan Association of School Business Officials Act, 2004 be now read a second time. Is the Assembly ready for the question? Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

Clerk: — Second reading of this Bill.

The Speaker: — To which committee shall this Bill be referred? I recognize the Minister of Learning.

Hon. Mr. Thomson: — Mr. Speaker, I move that Bill 21, The Saskatchewan Association of School Business Officials Act, 2004 be referred to the Standing Committee on Human Services.

The Speaker: — It has been moved by the Minister of Learning that Bill No. 21 be referred to the Standing Committee on Human Services. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Human Services.

Bill No. 22

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Wartman that **Bill No. 22 — The Saskatchewan Farm Security Amendment Act, 2004** be now read a second time.

The Speaker: — I recognize the member for Cut Knife-Turtleford.

Mr. Chisholm: — Thank you, Mr. Speaker. I wish to speak briefly on The Saskatchewan Farm Security Act, Bill No. 22. The overriding intent of this Bill is to place the credit unions in a more similar position to the chartered banks with respect to providing capital, restructuring loans, and the requirements for arranging security in these matters.

In that we realize the importance of the banking community including credit unions to the rural economy, we do not specifically oppose this legislation. But we do take the opportunity to make some observations regarding the situation in the farm community at the present time and in the recent past.

In the agricultural community, the lending institutions become not only the source for capital and required services but have in

the recent years become a partner, along with governments, in the delivery of the numerous farm programs that we have seen come and go in the past number of years. As well as an obvious source of revenue for the banks and credit unions, their responsibility in understanding, administering, and in fact explaining to the agricultural producers the various programs has vastly expanded. Some banks and some credit unions have done a better job at these functions than others.

I can just imagine the difficulty these financial institutions have had and the challenges faced by their front-line workers when governments, having instituted programs, either terminate these programs or do not deliver on their promises.

The NISA (Net Income Stabilization Account) program — an administratively relatively simple and cost-effective program — has recently terminated, leaving producers with many questions and options. This appeared to be a long-term program but was terminated in relatively short order, leaving producers with options and . . . not all of which options were very tax- or estate-planning friendly.

At least with the termination of the NISA program, producers were not bilked out of their money that was rightfully theirs. The recent events regarding the winding down of the CFIP program is quite another story. With the NDP government's failure to come up with its commitment to this program, both the agricultural producers and their financial providers — the chartered banks, the credit unions, and the Farm Credit Corporation — all are left in a financially embarrassing and difficult position. Dollars that were guaranteed, calculated, anticipated — and I'm speaking of the last 30 per cent of the NDP government's commitment to the CFIP program — were quite simply stripped from the producers anticipating these payouts. This leaves the producer and also his or her provider of capital in a tenuous position.

So if we're considering legislation that will assist the credit unions in being the provider of capital on equal ground with other providers, let's hope that this NDP government doesn't embarrass their customers like this ever again.

However, Mr. Speaker, it could very well happen again. The much touted CAIS program which is replacing the NISA and CFIP programs is already in trouble as a result of this NDP government's position. Firstly they hold out to get a better deal from the federal government. Then the federal government agrees to their demands and requests. Deal — no deal. This government now claims it won't have the funds to live up to the deal that it cut.

Producers are submitting, as we speak, 2003 CAIS applications. The formula, although not simple, is understandable. Once the numbers are calculated, the producers should know firstly whether or not there is a claim for the 2003 year and secondly if there is a claim, how much that claim will be. This program was supposed to be bankable because you could take these figures to your financial institution and they were guaranteed sources of revenue within a given period of time.

However, Mr. Speaker, this is not so in Saskatchewan. As a result of not signing the agricultural framework and as a result of this executive, the experience of the CFIP program, the bank

and credit unions can no longer consider this program bankable — not in Saskatchewan. Mr. Speaker, producers in Alberta are already receiving their cheques from the CAIS program. This Bill, Mr. Speaker, is intended to assist the credit unions in dealing with the agricultural producers, and it may go a little ways in that.

However, Mr. Speaker, I'm sure that if I was a credit union manager, when it comes down to dealing with my agriculture producers, it would be of utmost importance to me that the promises made by the NDP government as they relate specifically to farm programs would be kept and honoured so that they could have some legitimate credibility in the future.

Mr. Speaker, we look forward to further examining this Bill in committee. Thank you.

Some Hon. Members: Hear, hear!

The Speaker: — The question before the Assembly is the motion moved by the Minister of Agriculture and Food, that Bill No. 22, The Saskatchewan Farm Security Amendment Act, 2004 be now read a second time. Is the Assembly ready for the question?

Some Hon. Members: — Agreed.

The Speaker: — Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — The motion is carried.

Clerk: — Second reading of this Bill.

The Speaker: — To which committee shall this Bill be referred? I recognize the Government House Leader.

Hon. Mr. Van Mulligen: — Mr. Speaker, I move that Bill No. 22, The Saskatchewan Farm Security Amendment Act 2004, be referred to the Standing Committee on the Economy.

The Speaker: — It has been moved by the Government House Leader that Bill No. 22 be referred to the Standing Committee on the Economy. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on the Economy.

Bill No. 23

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Forbes that **Bill No. 23 — The Regional Parks Amendment Act, 2004** be now read a second time.

The Speaker: — I recognize the member for Thunder Creek.

Mr. Stewart: — Thank you, Mr. Speaker. It's my great pleasure to speak to this Bill, Bill 23, The Regional Parks Amendment Act.

This amendment allows regional park authorities to continue to fund their operations and capital projects with some borrowing from the private sector. While such borrowing has gone on in the past, it has been determined recently that regional park authorities actually did not have the legislative authority to do so, and this Bill rectifies that situation, Mr. Speaker.

It's understood that the province is not on the hook for any of the debts incurred by regional parks in the course of this borrowing, and the amendment also gives investment power to regional park authorities and gives the department power to request an information report related to the borrowing of regional parks.

At one time, Mr. Speaker, our regional parks received a significant portion of their revenue from the province, and now they receive virtually none. Their other main revenue stream was from municipalities, particularly rural municipalities, and this provincial government has also downloaded on them, tightening up that revenue stream as well, Mr. Speaker.

All parties seem to be more or less in favour of this Bill, Mr. Speaker, and I would move it on to Committee of the Whole.

The Speaker: — The question before the Assembly is the motion moved by the Minister of Environment that Bill No. 23, The Regional Parks Amendment Act, 2004 be now read a second time.

Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Clerk: — Second reading of this Bill.

The Speaker: — To which committee shall this Bill be referred? I recognize the Government House Leader.

Hon. Mr. Van Mulligen: — Mr. Speaker, I move that Bill No. 23, The Regional Parks Amendment Act, 2004 be referred to the Standing Committee on Intergovernmental Affairs and Infrastructure.

The Speaker: — It has been moved by the Government House Leader, that Bill. No. 23 be referred to the standing committee on government relations and infrastructure. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Intergovernmental Affairs and Infrastructure.

(20:45)

Bill No. 24

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Quennell that **Bill No. 24 — The Provincial Court Amendment Act, 2004** be now read a second time.

The Speaker: — I recognize the member for Kelvington-Wadena.

Ms. Draude: — Mr. Speaker, we've had an opportunity to discuss this Bill a number of times in adjourned debates and had some input from interested parties, and we're going to bring forward any more of our concerns in Committee of the Whole. So I therefore move . . .

The Speaker: — The question before the Assembly is the motion moved by the Minister of Justice that Bill No. 24, The Provincial Court Amendment Act, 2004 be now read a second time. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Clerk: — Second reading of this Bill.

The Speaker: — To which committee shall this Bill be referred? I recognize the Minister of Justice.

Hon. Mr. Quennell: — I move that Bill No. 24, The Provincial Court Amendment Act, 2004 be referred to the Standing Committee on Human Services.

The Speaker: — It has been moved by the Minister of Justice that Bill No. 24 be referred to the Standing Committee on Human Services. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Human Services.

Bill No. 25

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Crofford that **Bill No. 25 — The Adoption Amendment Act, 2004/Loi de 2004 modifiant la Loi de 1998 sur l'adoption** be now read a second time.

The Speaker: — I recognize the member for Weyburn-Big Muddy.

Ms. Bakken: — Mr. Speaker, this Bill has been discussed several times in second reading.

There are certainly some concerns because it is dealing mainly with the change in definition of birth father and birth mother and what that implies. It also repeals the section of the Act dealing with the affidavit process, and there's some concerns

around that because previously various reasons were given for . . . about safety, assault, stalling tactics, and so on. They were taken into consideration. It is my understanding that these still will be a matter for a judge to rule on, but we would like some further clarification on how this is going to be enacted.

There's also a new grandfather clause that has been added to the Bill and several other housekeeping amendments. We have been in touch with several stakeholder groups, and, Mr. Speaker, we look forward to bringing forth some of the issues that they are concerned with and further questioning the minister in the committee. And we would allow this to be moved to the committee.

The Speaker: — The question before the Assembly is the motion moved by the Minister of Community Resources and Employment that Bill No. 25, The Adoption Amendment Act, 2004 be now read a second time. Is the Assembly ready for the question?

Some Hon. Members: — Agreed.

The Speaker: — Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Clerk: — Second reading of this Bill.

The Speaker: — To which committee shall this Bill be referred? I recognize the Government House Leader.

Hon. Mr. Van Mulligen: — Mr. Speaker, I move that Bill No. 25, The Adoption Amendment Act, 2004 be referred to the Standing Committee on Human Services.

The Speaker: — It has been moved by the Government House Leader that Bill No. 25 be referred to the Standing Committee on Human Services. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Human Services.

Bill No. 26

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Crofford that **Bill No. 26 — The Adoption Consequential Amendment Act, 2004** be now read a second time.

The Speaker: — I recognize the member for Weyburn-Big Muddy.

Ms. Bakken: — Thank you, Mr. Speaker. As well, this Bill No. 26 is a direct result of Bill No. 25. Because of it, there will be changes necessary to other Acts, one of which is The Child and

Family Services Act. As with the previous Act, Mr. Speaker, our first and foremost priority is that these amendments that are being proposed are in the best interests of the children that are involved and that we will ensure their safety and well-being. And so because of that, Mr. Speaker, we will have questions regarding this Bill of the minister when we are in committee, and I would move this to committee at this time.

The Speaker: — The question before the Assembly is the motion moved by the Minister of Community Resources and Employment that Bill No. 26, The Adoption Consequential Amendment Act, 2004 be now read a second time. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Clerk: — Second reading of this Bill.

The Speaker: — To which committee shall this Bill be referred?

Hon. Mr. Van Mulligen: — Mr. Speaker, I move that Bill No. 26, The Adoption Consequential Amendment Act, 2004 be referred to the Standing Committee on Human Services.

The Speaker: — It has been moved by the Government House Leader that Bill No. 26 be referred to the Standing Committee on Human Services. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on Human Services.

Bill No. 28

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Ms. Atkinson that **Bill No. 28 — The Public Employees Pension Plan Amendment Act, 2004** be now read a second time.

The Speaker: — I recognize the member for Saskatoon Northwest.

Mr. Merriman: — Thank you very much, Mr. Speaker. I have the opportunity to follow my colleagues and speak on The Public Employees Pension Plan Amendment Act.

Mr. Speaker, I do have some questions and concerns regarding this around the definition of allocated interest, regarding the structure of the board, some other issues on the clarification of the board's ability to allocate investment earnings to its members, putting in place provisions allowing all former members to transfer their money into the plan.

We want to make sure, Mr. Speaker, that every member of the legislation must do our utter best to ensure that pension plans that fall under our jurisdiction remain viable for all retirees in

the future as well as current retirees. Mr. Speaker, I believe this can be taken up in committee, and that it be moved to committee at this time.

The Speaker: — The question before the Assembly is the motion moved by the minister for the Crown Management Board and the Public Service Commission that Bill No. 28, The Public Employees Pension Plan Amendment Act, 2004 be now read a second time. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried.

Clerk: — Second reading of this Bill.

The Speaker: — To which committee shall this Bill be referred? I recognize the Government House Leader.

Hon. Mr. Van Mulligen: — Mr. Speaker, I move that Bill No. 28, The Public Employees Pension Plan Amendment Act, 2004 be referred to the Standing Committee on the Economy.

The Speaker: — It has been moved by the Government House Leader that Bill No. 28 be referred to the Standing Committee on the Economy. Is it the pleasure of the Assembly to adopt the motion?

Some Hon. Members: — Agreed.

The Speaker: — Motion is carried. This Bill stands referred.

Motion agreed to, the Bill read a second time and referred to the Standing Committee on the Economy.

The Speaker: — I recognize the Government House Leader.

Hon. Mr. Van Mulligen: — Mr. Speaker, I move the House do now adjourn.

The Speaker: — It has been moved by the Government House Leader that this House do now adjourn. Is it the pleasure of the Assembly to adopt that motion?

Some Hon. Members: — Agreed.

The Speaker: — The motion is carried. This House stands adjourned until tomorrow at 1:30 p.m.

The Assembly adjourned at 20:52.

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Premier

Hon. P. Atkinson
Minister of Crown Management Board
Minister Responsible for Public Service Commission

Hon. J. Beatty
Minister of Culture, Youth and Recreation
Provincial Secretary

Hon. B. Belanger
Minister of Northern Affairs

Hon. E. Cline
Minister of Industry and Resources

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Minister of Community Resources and Employment
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