



FIRST SESSION - TWENTY-FIFTH LEGISLATURE

of the

**Legislative Assembly of Saskatchewan**

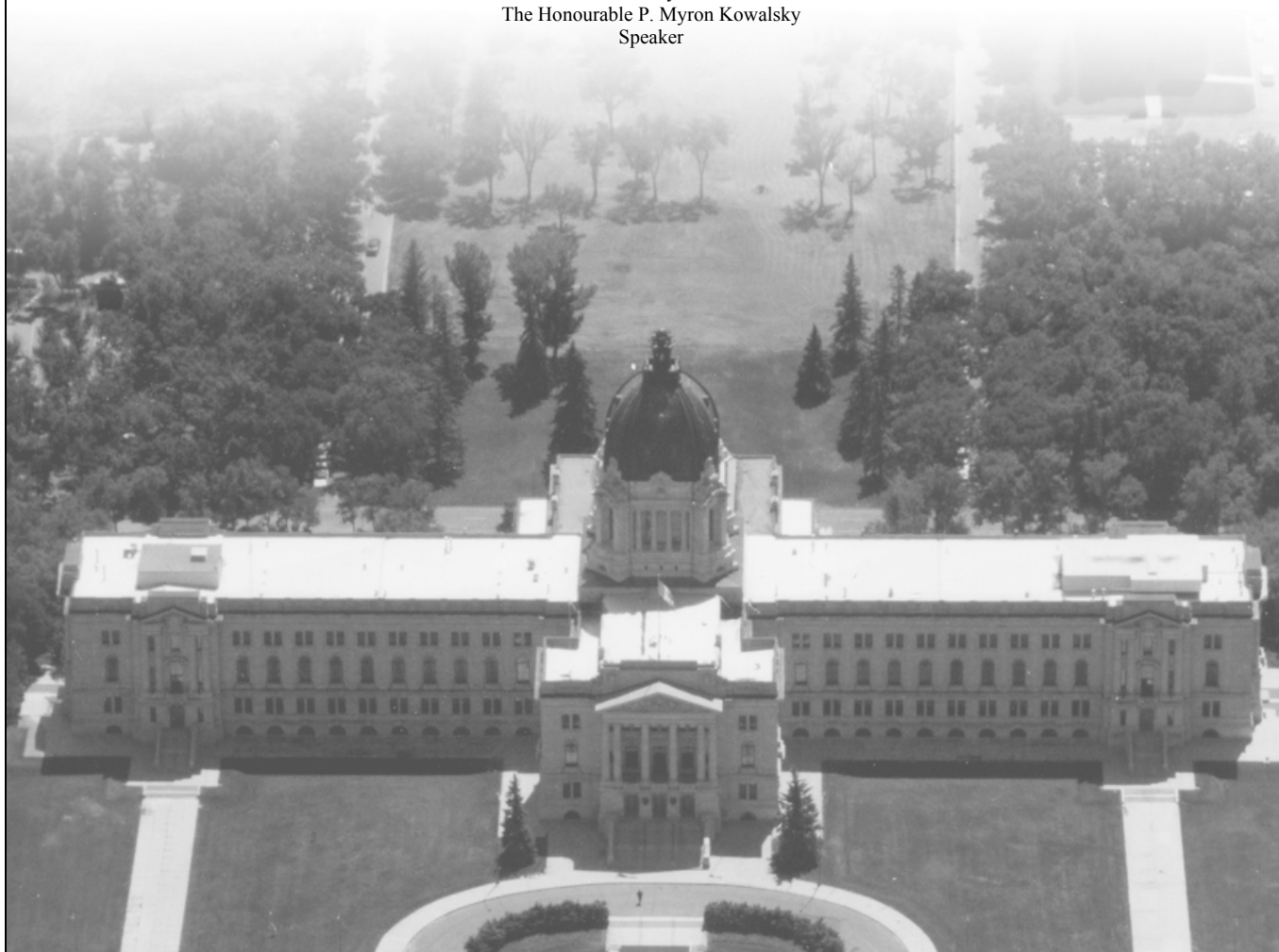
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**DEBATES  
and  
PROCEEDINGS**

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(HANSARD)

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The Honourable P. Myron Kowalsky  
Speaker



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Weekes, Randy	SP	Biggar
Yates, Kevin	NDP	Regina Dewdney

EVENING SITTING  
COMMITTEE OF FINANCE

General Revenue Fund  
Agriculture and Food  
Vote 1

Subvote (AG01)

**The Deputy Chair:** — The business before the committee is Department of Agriculture. Would the Minister like to introduce his officials, please.

**Hon. Mr. Wartman:** — Thank you very much, Mr. Chair. I would like to introduce, to my right, Hal Cushon, who is assistant deputy minister, and to my left, Stan Benjamin, who is the general manager for Saskatchewan Crop Insurance Corporation.

Behind Hal is Jack Zepp, who is the acting assistant deputy minister, and next to him, directly behind me is Paul Johnson, who is manager of economic and commodity analysis unit for the policy branch. In the back row is Dave Boehm, who is director of the financial programs branch and Karen Aulie, who is director of the corporate services branch.

I'd like to welcome the officials to the Assembly.

**The Deputy Chair:** — Item 1 is vote (AG01). I recognize the member from Rosthern-Shellbrook.

**Mr. Allchurch:** — Well thank you, Mr. Chair. I would also like to welcome the minister and his officials here tonight. I was the lucky one that gets to go first as far as giving questions. There's a number of us tonight that's interested in asking questions.

I'm going to start off with some crop insurance questions regarding the forest rainfall insurance program. Now this program, I believe, was introduced last year and there is a group of households or farmers in the Shell Lake area that applied for this program. Now the program says the producers will pay 38.4 per cent while government pays 61.6 per cent.

Now these officials or these farmers apparently paid their allotment into the program. As you know, in August of last year there was a killing frost and 99.99 per cent of the crop in that area got froze. Now according to the crop insurance adjusters, they also said the same thing, that 99.9 per cent of the crop was froze. Yet the Crop Insurance will not pay out on this program because the station that records the temperatures said that it was just slightly below the freezing point, and therefore these farmers who should qualify for this program are not. Can the minister explain why?

**Hon. Mr. Wartman:** — Just a note that the forage rainfall does not cover frost damage.

**Mr. Allchurch:** — I guess that's my point, is why would this program come in and yet not cover frost?

**Hon. Mr. Wartman:** — The program was basically designed

to support the growth of forage and it's to cover if there's a shortage of rainfall so the forage will not grow properly. And if there is a shortage of rainfall, it's covered in the program then.

**Mr. Allchurch:** — Thanks, Mr. Minister. According to the farmers in that area when reading and going back and rereading the documentation regarding this, I don't believe it says anywhere in there that frost is not covered. Can the minister elaborate on that?

**Hon. Mr. Wartman:** — I would ask the member to clarify. You started off talking about rainfall and now there is also a weather-based program and there is the rainfall program for forage. Could you identify which of those it is that you're actually asking the question around, please?

**Mr. Allchurch:** — Well thank you, Mr. Minister. I would believe that it would fall under the rainfall insurance program. I wasn't aware of the other two programs. Could you elaborate on the other two programs and what they cover?

**Hon. Mr. Wartman:** — So the first program that I assumed from what you were saying was that you were referring to the rainfall forage program. I've already indicated what that is about. Second one is a crop weather-based program and that does have a frost component in it. And that may be the one that you are referring to then.

**Mr. Allchurch:** — Well in regard to that, Mr. Minister, I will check with my counterparts back in Shell Lake to see which program they were talking about. I was sure that they were talking about the forest rainfall insurance program and therefore, if frost is not covered under that, then I would have to check with them to find out exactly what it was that they were inquiring about. And I will get back with you with questions regarding that at a later date.

In continuation with crop insurance, in my area, Spiritwood and area, last year due to the frost and the ... [inaudible] ... weather that we had, many crops stayed out over winter. As you know, in many of the areas around Spiritwood, we are forbidden with the fact that we have a lot of wildlife. And there was a tremendous amount of wildlife damage in the area.

Now a few farmers have contacted me because their crop stayed out all winter and yet Crop Insurance would not sign off until the spring had come about and they could see what damage is there. As you know, through the crop insurance program the farmers have to combine that crop. The problem lies with the farmers and has been for many, many years that when they combine this crop, they get a lot of wildlife manure in their grain. Therefore it is condemned. There is no sale for it. The farmer has to go through the aspects of combining it, extra costs contribute to what they have already been through last year, and yet this grain is useless.

Can you specify for me to the farmers listening what can be done in regards to this where the farmer wouldn't have to spend extra costs in combining this crop to find out that the end result is worth nothing in the end?

**Hon. Mr. Wartman:** — If the producer does not have crop

insurance, we're just dealing with a wildlife damage claim, it does not necessarily have to be harvested. It would get an inspection, a visual inspection, and the assessment would be made at that point. Now if there is crop there that's not . . . the assessment says that there is excreta in it, then there would be coverage for the cleaning of the grain. And then as the year moved forward, if there was market then the assessment would be made on what the damage is and the loss was later on.

**Mr. Allchurch:** — Thank you, Mr. Minister. In regards to cleaning of the grain, I know Crop Insurance has occasionally, in fact many times, paid for cleaning of the grain. The problem lies though is after the grain is cleaned, it is still unsatisfactory that could be used for saleable produce. No one will take it. There are many farmers in my area who have grain from five years ago, and it's not saleable — nobody wants it. That's my point.

When you have a wildlife claim and the crop is infected, then what good is that crop, because it cannot be sold? Therefore if that is the case, then why won't the insurance pay for it as a total writeoff?

**Hon. Mr. Wartman:** — I think what's important to note is that for those people who are dealing with wildlife damage who also have crop insurance, that then there is coverage if they can't get the value for their grain, but they have to pay the premium for that.

If it is simply on the wildlife damage, then the assessment is made. If there is damage, the grain is cleaned. And then it really is, after the grain is cleaned, it really is up to the producer to move that grain in whatever way they can. It can't be sold into the elevator system, I understand, but it still can be dealt with.

Mr. Chair, can I ask is there . . . if we can get the microphone sound turned down. There's a lot of feedback here. Thank you.

**Mr. Allchurch:** — Thank you, Mr. Minister. You said there is places where this grain could be marketed. Can you give an example where this grain could be marketed, other than the fact that elevators will not take it?

**Hon. Mr. Wartman:** — I'm told by the officials that there are a number of places where these grains can be marketed. There are actually . . . If you've got producers who are in that dilemma, if you would have them call the Crop Insurance office, they do have a list of brokers who actually contact Crop Insurance, who are looking for grain that can be blended off, can be used for a variety of different purposes.

So if you can have your folks call the Crop Insurance office, I know that they'll provide for them a list of the brokers who are interested.

**Mr. Allchurch:** — Thank you, Mr. Minister. A couple of answers ago, you mentioned that they had to pay the premium. What were you referring to when you said you had to pay the premium, and for what?

**Hon. Mr. Wartman:** — Simply the crop insurance premium for the crop insurance program — the premium for the crop insurance program.

**Mr. Allchurch:** — Would there be 100 per cent payout then, if that was the case?

[19:15]

**Hon. Mr. Wartman:** — If you had 100 per cent loss, if there was simply no market for the grain after a year, then they would be paid out fully for the loss, and generally would be asked then to destroy the unmarketable grain.

If there were just some kind of proportional loss, then they would be paid out in accordance with the proportion of loss there was.

**Mr. Allchurch:** — Okay. Thanks, Mr. Minister. If there was, according to the adjusters, some grain there, which as we know is no good because of it being contamination, would that portion of the grain that he would look at and say there is 10 bushel an acre, 20 bushel an acre, or whatever, would that come off the claim as invaluable grain?

**Hon. Mr. Wartman:** — There is an assessment that's done in the field. The crop is assessed and evaluated, but there is no payout until the crop is harvested and the payout then is based on what the assessment was. If it was 10 bushel to the acre, it would be paid out on that basis.

**Mr. Allchurch:** — Well I guess that's my point, Mr. Minister. If there is some grain of some potential value there and the crop insurance adjuster says no, it has to be combined . . . Because this is what's happened in many, many cases. The grain has to be combined. It's combined. The grain is unsaleable because of the deer manure in it or whatever. Crop Insurance then will pay to clean it. You still have that granary full of clean grain which is still unsaleable, yet it ties up the claim. At what point in time is the claim settled?

**Hon. Mr. Wartman:** — If you want Crop Insurance to declare a zero value, then you must harvest the grain. You have to harvest it to get a zero. If you will settle for the appraised value plus the quality factor, then the claim is done in the field. The assessment is done, you get a quality factor added, and the claim is done in the field. Okay?

**Mr. Allchurch:** — Well, Mr. Minister, isn't that the same as a deductible?

**Hon. Mr. Wartman:** — Well the officials made it quite clear that it's not the same as a deductible. I mean the fact is you've got a crop that's been out over the winter. You've got difficult circumstances, and the Crop Insurance folks are simply trying to get a clear adjustment under difficult circumstances.

If in fact you as a farmer were saying, look there's no value in this; I've got no value. Then the adjuster would say to you, then you have to harvest it to show that there's no value, unless of course the adjuster in doing the assessment in the field said to you as a producer, no I agree; there is zero value in this. Then you're going to be paid. But if there is a difference between your assessment and the adjuster's assessment, then it has to be harvested in order to determine what is the value of the crop.

**Mr. Allchurch:** — Well thank you, Mr. Minister. I believe the

payout is 85 per cent. And that's my point with the farmers having to harvest the crop. If there was no wildlife damage to it, yes there is a value to that crop, so they would harvest it. But when you're dealing with wildlife damage, there is no value to that crop, and yet you're saying that they still have to combine it just to get the full value of the crop. All you're doing is causing the farmer extra expense to prove a point that it's not worth nothing. This is a problem that farmers are facing.

Why is it like that? And why won't the government realize that, when you're dealing with wildlife insurance claims, it's a different scenario than straight crop insurance where there is no wildlife damage?

**Hon. Mr. Wartman:** — Okay, I think we've identified which program you're talking about now. You're talking about strictly the wildlife damage program which is not 85 per cent any longer, but 80 per cent. And it is based on an assessment that is done in the field. I believe there are a number of determinations done to get the complete picture, and then it is paid out at 80 per cent. Now we did have it at 85, but the federal government is part of the program, and we had to adjust downwards in order to comply.

**Mr. Allchurch:** — So the value is dropped to 80 per cent which makes it that much more worse. How much does it cost Crop Insurance to clean this grain that is infested with deer manure?

**Hon. Mr. Wartman:** — Just to be clear, are you asking in the circumstances that the crop is harvested and it's cleaned, and Crop Insurance pays for the cleaning? Were you asking, like, does that come out of the 80 per cent?

**Mr. Allchurch:** — No. What I'm asking is, is that there's the cost of cleaning. Now the farmer will pay for that cleaning bill, and then Crop Insurance will reimburse him. Is that not how it works?

**Hon. Mr. Wartman:** — Correct.

**Mr. Allchurch:** — So do you have any idea what the average cost is?

**Hon. Mr. Wartman:** — Basically what officials are saying is, we don't have the numbers. It's the average going rate within the province, and it's paid on that basis.

**Mr. Allchurch:** — Well to a few of the farmers in the area that have been doing a little bit of this . . . and they found out it doesn't pay. It's averaging anywhere from 35 to 42 cents per bushel. When you look at the price of grain at what it is today, does it really pay them to go this route? It adds that much more to the argument that they're trying to make to Crop Insurance that, when there's a claim put in regarding wildlife damage, why does a farmer have to go through the extra expenses? Why can't this department enforce to the crop adjusters to come out and use common sense and just write it off and pay the farmers out at the 80 per cent that they're qualified for?

**Hon. Mr. Wartman:** — Well the assessment is that if it's zero value, that it would be paid out. If the assessor, the adjuster comes out, evaluates it, it's zero value, that it would be paid out. Those who have taken the steps of purchasing crop

insurance are in a different category than those who simply are relying on the wildlife protection side of things.

**Mr. Allchurch:** — Well, Mr. Minister, you're exactly right in the question. But the problem is that they've still got to go through the role of combining it. And that's the problem. There's an extra expense the farmer has to incur just to get to 80 per cent. He still has to combine it. And as you know, the cost of combining is very, very expensive. So that's an added cost that he has to forgo just to get his 80 per cent. Why won't the government enforce that they don't have to go through the combining procedure?

**Hon. Mr. Wartman:** — Well as I indicated earlier in terms of dealing with this program, it is a federal-provincial program. We simply are not allowed to do that. And it's based on, I gather, long-term experience that there are, believe it or not, there are those people who would actually make a claim and then go out and harvest it later . . . at least the suspicions are there that that would happen. And the federal government just simply won't allow that to be a part of the process. So that, I mean, it's within the agreement that we are compelled to demand that, unless there is an assessed value of zero, that it must be harvested and the real value given.

**Mr. Allchurch:** — So in this program, Mr. Minister, the federal government lays down the rules and regulations. Or is it the provincial government lays down the rules and regulations?

**Hon. Mr. Wartman:** — As a federal-provincial program, as with most programs, there's a lot of discussion, negotiation goes on. And in order to have the federal government putting in their portion of the plan, when it comes down to it we basically have to comply with the rules that they insist on. And though we do negotiate around those rules, this is what we have as rules today that we have to comply with in order to have the federal government participate.

[19:30]

**Mr. Allchurch:** — Thanks, Mr. Minister. Is this the same in every province, Saskatchewan agriculture is affected?

**Hon. Mr. Wartman:** — Yes, we have the same basic program. I was just recalling from some of the work previously that Alberta's program is somewhat different, but they top up in a number of areas which is what the province can do. But everybody across the country has to comply with the basic program rules.

**Mr. Allchurch:** — Mr. Minister, what do you mean by topping up, and what areas do you know that there's topping up in crop insurance?

**Hon. Mr. Wartman:** — One factor for Alberta is that they, rather than going at 80 per cent, they cover 100 per cent, and that anything over the 80 per cent is purely a provincial top-up.

**Mr. Allchurch:** — Well, Mr. Minister, may I make a suggestion to the government then? Maybe in Saskatchewan where we have a lot of wildlife damage, maybe this may be a way to help compensate the farmer in regards to a losing situation . . . is to top it up from 80 per cent to 100 per cent. I

think it would be a great opportunity to show the farmers that, in dealing with crop insurance issues, that you're listening.

Another area I want to go to is in crop insurance. Does wind damage and snowmobile damage on crops in the field . . . is that covered?

**Hon. Mr. Wartman:** — If the wind or snowmobile damage were the reason why your crop was below the production guarantee, then it is covered.

**Mr. Allchurch:** — Well thank you, Mr. Minister. I know there's a lot of farmers out there that have had a great deal of snowmobile damage would be interested in that comment.

That concludes my questioning for today, and I will pass it on to another member.

**The Deputy Chair:** — I recognize the member from Biggar.

**Mr. Weekes:** — Thank you, Mr. Chair. Mr. Minister, another question on crop insurance — weather station reporting.

In the Biggar area, Crop Insurance has said that the first frost was September 21, and the first killing frost was at least a month earlier than that, possibly up to six weeks earlier than that. And the proof is, that if a killing frost never took place till September 21, all the grain in the area would be no. 1 high protein, and it just isn't. It's feed or it's no. 3 at the very best.

And I've wrote you a letter, and I realize you responded to that letter, but it's . . . I just ask you again, how could that reporting be so inaccurate and especially in a year where we had such severe frost? And the people, quite frankly, in the Biggar area, in the Rosemount RM [rural municipality] are really at a disadvantage because of that type of reporting.

**Hon. Mr. Wartman:** — Well I think to some extent, one has to acknowledge that there was nothing hidden in terms of the program. Everybody that participated in it knew that what had to be applied was the weather reports, the conditions from a given weather station, not from anywhere around it but just from that weather station. And we had to use, for the program, the official weather data reported from Environment Canada from the station. Everybody going into the program I think understood that that was the basis upon which the program would operate.

And there's no dispute. I mean there is . . . certainly there was crop frozen around. But we only have . . . in terms of payout on this, we must rely on the data from the weather station. That was what the agreement was about, and as I think I indicated in the letter and in a number of discussions, frost really is a difficult thing to assess. I mean it can change from a few yards to — in height — it can change in just a matter of a foot or less.

And so there're all kinds of things that impact what the weather station reports, but in terms of the program itself we are compelled by the nature of the program to rely on the data from the Environment Canada stations.

**Mr. Weekes:** — Thank you. Again, I can . . . That's a reasonable answer on any year except last year when it's so

obvious that it was so far out. It's not out by a week or 10 days. It's out by a month to six weeks. And I have to accept your answer, but I would suggest that if you're relying on Environment Canada, I think there should be some discussion with them as to who is to do the reporting and what's their location, their elevation because it was dramatically out. And you can talk to anybody in the Biggar area — quite frankly, west central Saskatchewan — who would disagree with those types of reporting.

**Hon. Mr. Wartman:** — I think the member identifies something which is a concern in the program, and location of station does make a significant difference which we're seeing. I think one of the, one of the elements of developing program is to see what the impacts are and try where we can to adjust to better meet the needs. But as I indicated at the beginning of my comments on this item, that everybody going in knew that it would be based on the weather stations in their area that was selected.

**Mr. Weekes:** — Well again certainly everyone knew what they were signing onto except they were expecting an accurate reading. And there's no way that reading was accurate under any conditions because there just was frost in the whole area that was considerably earlier than was reported.

I'd like to go on to another topic, Mr. Minister. Saskatchewan administered pastures, lands branch land. I've been told by a constituent that the patron has to supply bulls for the pastures. There's certain breeds — Charolais pasture or Hereford pasture or Angus pasture, whatever it may be. And I understand that the patrons have to supply the bull.

There are some requirements. They have to be tested for certain diseases. They have to be semen-tested for fertility. But I understand that these bulls do not have to be registered, purebred animals. And I'd just like to confirm that with you. And if that is the case, I would like to just put this case to you.

Because of the BSE [bovine spongiform encephalopathy] situation, like all of the livestock industry, the purebred industry is undergoing difficult times too, and there's just not a lot of animals being registered. They may be purebreds, and the associations are under financial difficulty, and this would be one way to not only guarantee quality and the bloodlines, but also to help out the associations and keep the industry vibrant.

**Hon. Mr. Wartman:** — I think overall in the program it has been left up to the pasture patrons to determine what type of bull they would like to use. I think that from the department point of view there certainly . . . where support or guidance can be offered, the department would be prepared to do that, but really it is a patrons' decision. They've put their cows in there and they can make a determination. But I have to say, though I am probably a little biased, but I kind of think, you know, having a purebred bull in there is a good idea as well, especially if it's a Hereford.

**Mr. Weekes:** — Well thank you for that. I think that's the point and that's where your department needs to come into play. You're setting the rules, your department is setting the rules, and I believe if it is, you're saying that it is not a strict rule that they have to be registered animals. When someone wants their

cows bred to a Charolais bull or an Angus bull or a Hereford bull, that's what they expect. They could put their cows in to be bred to a half Charolais bull and still, according to what you're saying, would it be still acceptable requirements. And my point is, for the reasons that I gave, I believe your department should look at ensuring that they are purebred registered animals that are put into these pastures.

**Hon. Mr. Wartman:** — I think overall, and you'll know this in the industry, that there are a variety of different preferences. I indicated of course what my bias might be but there are certainly those who have been into a number of different breeding programs that are not looking for purebred. They're looking at better gain from some of the commercial bulls.

And I think that what we have at this point, the position that we would hold is that the patrons know what they want and they really do have a right to make some choices. And we don't want to be too heavy-handed in terms of the guidelines, but provide for them freedom to make some choices as well. But I think you know it's worth continued discussions with community pastures and I think the department certainly is engaged there and we'll continue at this point anyway to allow the patrons the choice rather than using a heavy hand. But I think your point in terms of making sure that we have good quality bulls is very important.

**Mr. Weekes:** — Thank you, Mr. Minister. On to another topic — the CAIS [Canadian agricultural income stabilization] program. We've asked you, Minister, in question period a number of times about the CAIS. I believe you said last week that there was . . . I think, I believe your comments were that all the 2003 CAIS applications were done except the large, more complicated applications.

And I would suggest to you that probably most of them are people that are in the livestock industry and they're the ones that are in the most need of CAIS payments — cow-calf producers, backgrounders, and feedlots. From my own personal experience, I know they're in desperate financial situation.

And I'll just tell you the . . . what the observation I've had and what I've been told is in Alberta, Alberta administers their own CAIS program. They also top it up with provincial funds — more than Saskatchewan gets. And I know for a fact that their program is being paid on a much more timely basis. Their feedlot industry would be screaming bloody murder if they still hadn't got payments for back to '03 or even before that.

And I know from my contacts in the Winnipeg office that, exactly what you said, the larger, more complicated applications are being left to the last. And I would just impress upon the minister that I would ask you to talk to your federal counterpart and the people in the CAIS . . . that administer CAIS that that's, that is not fair.

I believe that people have applied probably should be on a . . . earlier should be on a list that's higher up the chain to get payments earlier because this is very serious. It's one thing to be talking about, people need money to seed this spring, but it also goes into the livestock industry. It's not a matter of just buying a new turn of cattle. It's survival. I mean, it's bankruptcy. It's facing producers and the banks are counting on

this money to be sent to their customers to survive. That's where the industry's at. It's survival.

And not only we don't have 2003. What about the 2004 payments? And I'd just like you to comment on that and again just emphasize how serious it is.

**Hon. Mr. Wartman:** — Thank you. I appreciate the comments from the member and there are a couple of things that I would say . . . are clearly you need to check your sources because your information on Alberta is absolutely not accurate.

When we were at . . . last week when the numbers came in, we were at 94. They were somewhere in the neighbourhood of 64 per cent paid out and we're approaching 95 per cent at this point. And I haven't got latest numbers on Alberta, but they are significantly behind where Saskatchewan is in overall payments.

[19:45]

Now in terms of the numbers that are paid out to this time, just so that it's accurate, the majority of those that are left to pay, the remaining 5 per cent roughly, will be — primarily, not exclusively — but they'll be primarily the larger, more complex claims. There are some that are on appeal that are left to be paid out, and there will be some that would be later applications that still just haven't quite made it through. So that would be the composition of the 5 per cent.

But I think the other point that you make is significant and that is that with all of the impacts that there have been there, there are people who are hurting. And so those who are moving their applications in — and I indicated this today in question period — those who are putting their applications in, moving them through as quickly as possible for 2004, then will be, as soon as their forms are processed, they are eligible for the initial payment of 70 per cent of their claim.

**Mr. Weekes:** — Well thank you, Mr. Minister. The fact is though, I've had a number of people come to me. They've applied for 2003 a year ago, and just recently have had questions from CAIS about their application a year later. And they are already applying for 2004 and 2003 hasn't been processed; and they're not going to get any payments for 2004 until they get 2003 processed.

And it's been 10 to 12 months later that the office gets to them with questions, and then they supply the answers. Totally unacceptable. And these are applications that are made early; they're not late applications. They're made by accountants who deal with literally hundreds of these applications, and these accountants and people that are dealing with this are literally pulling their hair out about how the system is not working for their clients.

**Hon. Mr. Wartman:** — Again I think the member identifies a real concern. I'm not sure whether I've had opportunity to indicate, but certainly I have not only written to the federal minister but spoken to him on a number of occasions about the need for a really timely processing of these.

I'll make just a couple of points. One is very clearly that,

though this system is not working in as smooth a way as what we'd like or in as timely a way, it still is substantially ahead of the system that Alberta is using.

And I think overall, when you look at the fact that 95 per cent of the claims compared to somewhere in the 60 to 70 range that Alberta is at, that's significant, but it's not really overall acceptable when you've got people who've been waiting, as you indicate, who've got their claims in a year ago and are now filing their 2004 claims.

And certainly that is a point that I've made on numerous occasions with the federal minister. Last time when he flew down to the tri-national meeting that we were having in Sacramento, we met from 10 o'clock at night until 12:30 and that was one of the issues that we pressed with him and he is, with his officials, trying to find a way to move these through in a more timely manner.

So I know that we have been heard and I'm hoping that, working with his officials, they will find some way of moving this along in a more timely manner.

**Mr. Weekes:** — My sources inside CAIS out of the Winnipeg office is that the vast majority of the bureaucrats, though well-intentioned, don't have a clue about agriculture. They don't, they're not . . . they have no farm background. They don't know the difference between a bushel of grain or a tonne of grain or even the difference between various species of animals.

And I'm wondering, has your government ever considered administrating CAIS itself for Saskatchewan producers? And if not, will you?

**Hon. Mr. Wartman:** — We clearly did examine the possibility of administering the system ourselves and we . . . you know, as this has unfolded we've watched British Columbia for example actually hired Alberta to administer their system to begin with but realized this was not effective. They also moved into the national system.

Factors in that are around not having to duplicate computer systems, and secondly I think the fact that it's based off the income tax system and will probably, as we progress, become a supplementary form with the income tax. It is probably overall better than administered in a national system.

In the early years of a program, there are always a number of elements that have to be worked out and I suspect that some of those elements are educating those people who are doing the work so that they understand what it is that they are dealing with.

From what we're . . . the feedback that we're getting overall is that things are moving, that the anticipation is that we will see a smoother flow in 2004 and an even smoother flow in 2005. One of the other things that we have done, and I think it also speaks to your question about whether or not we would consider doing the administration here, is that we pressed the federal government for as much of the administration as possible to be done here in Saskatchewan. And, in fact, there is a significant portion that is done in the Regina offices as well.

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

**Ms. Draude:** — Thank you, Mr. Deputy Chair. Mr. Minister, welcome to your officials.

I have a number of constituents that have phoned in to my office, quite a number of them, in the last while. We call them claims. I know your office calls them claims, but they're actually farmers. They're farm families. And each one of them that have called in to my office and my colleagues' offices are families that are hurting.

I know that you talked about a smooth and timely payment, but I know that also these farmers that have phoned in to my office have talked about the inadequate payment. Because we have a crisis out here, again, that we have talked about for the last number of years. But we don't say it as often any more, because people don't have any hope left. Never in the 10 years since I've been elected have I seen farmers that were less interested in even getting out to the field this year, because they just don't believe there's any hope for them at all.

Some of the comments that I've heard are: the farm income program is a joke; there isn't even enough money in it to cover the fuel bill for one tank of diesel. The farm income program, by choosing the December 23 date, many farmers with cattle won't get very much funding because the calves are sold in the fall. There's no funding for mature cows.

The crop insurance issue that you discussed with my colleague from Shellbrook — there are a number of farmers have phoned in to my office in the last little while saying, okay, we still have to combine it, we have to get it cleaned, and then we're going to store it for two years. And then maybe somebody will believe it has no value. Wheat that weighs 42 pounds doesn't have any value, Mr. Minister. So these farmers are hurting.

Another group of farmers that have phoned in to my office are concerned because they just got their reassessment, and you're not dealing with the education tax. Because of reassessment, these farmers are paying up to \$170 a quarter more for land tax — just the education portion of it — this year. These are farmers that are already hurting. And when they go to their banks they have to explain or do a cash flow projection, and it's just not possible.

You indicated a few minutes ago that Alberta had topped up their program to their farmers to 100 per cent. And farmers in Saskatchewan feel like your government hasn't been there for them for a number of years, and you sure aren't there right now when they really are in a hopeless situation.

Mr. Minister, I'm wondering if you're aware that, with the CAIS program right now, that the people who actually make the decision on each claim never see the original form. It's all entered by computer, and the handwritten form that the farmers send in is never seen by the person that actually makes the decision. And there's often some misinformation, or some wrong information could have been inputted. And it means that when you have to go for an appeal, you're not even talking to the same person. I understand that there's . . . up to three people work on each one of these files, and farmers are lost again



trying to figure out who they can talk to for help at this time of the year.

So, Mr. Minister, I would like you to answer the CAIS issue. And while you're doing that, maybe your officials can tell me what the bankers are saying to your department right now. I know that the individuals that go into the banks to get their line of credits in the last month have been distraught, to say the least. And I imagine your department must work with the banks and credit unions across the province. What percentage of our farmers are not going to be able to get their line of credit this year?

**Hon. Mr. Wartman:** — Well the member raised a number of items, not least of which was a comment about the people who are in our offices who are dealing with farmers and a comment about, they deal with them . . . they just call them claims. Well you know that's not my experience. My experience is that the people in our offices are compassionate. They are thoughtful. They listen to the farmers who call in and take the time to hear and try and track down answers and provide support where they can.

I think there are a number of factors around CAIS. And I mean, in many ways it's similar to income tax, that when the data comes in, it comes in on either a handwritten form or with income tax electric computer forms. But when the data comes in to the CAIS program, it is entered. And the data that is correct, when it moves through, it moves through quite quickly if it's all correct and there's not questions, and then the cheque is issued on that basis.

It is unfortunate that human beings, being what we are, that occasionally there are mistakes made as data is entered. And then people come into the scene again when they're having to deal with appeals.

But there's certainly nothing malicious in the way the process is handled. It seems to me that people are there working, trying to provide the services that are important for farmers, to try and help this industry through very, very difficult times.

The member talks about the issues of hope, and I can say that there are a variety of different responses and attitudes that are apparent all across the province. Some of it depends on regions. Some of it depends on years of what has happened in the farmers' personal history and in their business history.

But one of the things that we are finding . . . You're trying to look at indicators, what is actually, what is actually happening out there. And so in calls to input providers, retailers and wholesalers, what we're finding is that sales are still up. The Wheat Pool reported to us that their sales are still up.

And there are farmers that we're meeting with that are hopeful. They are putting in their crops, looking forward to putting in their crops. And others are looking at it and just going, man, you know, with all the challenges of low commodity prices and these higher input costs, it's going to be very, very difficult. Yes, it is.

But I think contrary to what the member said . . . and very important for the people of this province to know, to get

through misinformation and a lack of information, to understand that this government — with the capacity that we have, on any kind of rational basis — has been far ahead of other provincial governments in terms of the amount of payments we're making per capita and in terms of the amount generally last year, \$650 million . . . significantly above any funding in previous years. I think that this challenge will continue for us. It's not going to be easy to make it through these times, but the one thing I can say without any hesitation is that this government that I'm a part of has been there and will continue to be there for farmers.

[20:00]

**Ms. Draude:** — Mr. Minister, one of the things that farmers really get frustrated about is the government saying that things are a challenge. There's very few challenges, lots of problems out there. Just say it the way it is. We've got problems out there. The indicators are such that farm income is down. That's a well-known fact; it was published in the paper not too long ago. Input costs are up. Prices are down. There is so many issues.

And, Mr. Minister, I didn't make the comment that your officials treated people like claims instead of farm families. I said that it was something that you had said just a minute ago, something that I believe is hurtful to the farmers out there when they are trying so hard and trying to get information. Farm service centres, rural service centres were closed last year — 13 of them. They were one of the ways that we got information out to farmers, and now we go into the city to get information for our farmers.

Mr. Minister, my question to you, besides the CAIS workers . . . and I do understand that human beings can make mistakes. But when human beings make mistakes inputting information, that hurts other ones down the road. And that's the farmer that's standing at someplace waiting for a cheque so that he can pay the next person that's got their hand out. Mr. Minister, can you please tell me what your indication is from financial institutions on the credit rates and the line of credits that were accepted this year in Saskatchewan.

**Hon. Mr. Wartman:** — Well we have been in ongoing contact with lenders. I will be meeting with them in the near future as well. And certainly the indications that we are getting is that there are some farmers who having problems, and the banks are there trying to help them work through their problems and find ways of making it into the future.

That said, there are also those who are not having trouble accessing credit. And from the perspective that we've got so far — and I'll find out, you know, how valid this is with all the lenders in the near future — but the perspective we're getting from those that we've spoken with is that things generally are moving ahead. Credit is available for most. But as has always been the case, there will be those who cannot access credit, and we want to find out the depth of that. At this point, the indications have been that it's not significantly different than what we've faced in other years.

The other item that the member mentioned was in terms of providing information for farmers and what we were finding in

our surveying — and I think the member is aware of this because we certainly named it last year — that over 70 per cent of the contacts were by phone or through Internet. And we've increased the levels of those services, and we think that we have a very good way of communicating with farmers, and it is being accessed and well used.

**Ms. Draude:** — Mr. Minister, not too long ago we had an opportunity to meet with some of the credit union managers right here in this Legislative Building. And that night I spoke to a number of them and asked them what they were finding, and they definitely did not indicate to me that it was a small percentage of people that were having difficulty getting a line of credit.

They were very concerned about the huge percentage of farmers . . . whether they were small farmers or large farmers, they were having a difficult time getting their crop in the ground this year because by far the majority of them had not paid for last year's expenses. So the question is right now, do they put money on last year's bills or this year's bill, and is there any hope for the future?

Mr. Minister, with the resources that you have in your department, you must have some indications of what percentage of the farmers in this province you think are in financial difficulty. What percentage is that?

**Hon. Mr. Wartman:** — What we're hearing from the financial institutions is that their arrears are not generally higher than what they have been in the past; that though there are some who are having problems and are having trouble accessing credit, that still the majority are able to access credit, and the number of acres that are planned to be seeded this year are not down. And generally people are able to move ahead, though there are those who have some, some significant problems.

So these are the comments that we're getting from the lenders. And that's what they're telling us, so I'll report it back to you.

**Ms. Draude:** — Mr. Minister. Mr. Minister, does your department have a percentage of . . . Do they have in their books a number of farmers that are not getting their credit? What percentage of farmers are in trouble in Saskatchewan right now?

**Hon. Mr. Wartman:** — No, we do not have that. Nobody collects that information. It is generally private information, and the banks would hold it.

**Ms. Draude:** — Mr. Minister, how many farm suicides have there been in the last year?

**Hon. Mr. Wartman:** — We do not have a listing of suicides for whatever cause, whatever location. I expect that, you know, through checking with funeral homes a person could find that out. But no, we don't have . . . And yes, there are suicides that happen, and yes, they happen for a wide variety of reasons. Some of those are business-related reasons. Some are family related. Some are stress related, and they happen all across the sectors of society I'm sorry to say.

**Ms. Draude:** — Can you tell me what the farm stress line . . .

the usage of that, has it increased in the last year?

**Hon. Mr. Wartman:** — The volume of calls is down the last couple of years. And there are a variety of concerns that are raised, a variety of problems that come in to the farm stress line and I think are capably dealt with by the folks who look after those phones, and so all I can tell you really is that the numbers are down somewhat.

**Ms. Draude:** — Mr. Minister, the nature valley processing plant is a new business, or hopefully a new business that is trying to get underway, and I know that one of the concerns they have is the PST [provincial sales tax] that is making a difference between this project getting started or not. Have you talked to this corporation about the PST on this processing plant?

**Hon. Mr. Wartman:** — We have over the past months, over the past year, had significant conversations, confidential business conversations with a number of companies including Natural Valley, some 31 community groups that have expressed interest, larger processors, some national, some international processors. We've had a variety of discussions about the kind of structures that will work most effectively to help these operations move ahead.

Certainly it is our desire to, as we have stated in a variety of different ways and as we have invested . . . shown that we want this industry to move forward, and the Premier has announced a six-point plan, and we will see further initiatives in the not too distant future.

**Ms. Draude:** — Mr. Minister, I'm sure that the shareholders of the Natural Valley processing plant will be waiting with bated breath to see what the Premier is going to say about this issue.

We were talking to a feedlot owner, and I was told the difference per head for a feed set-aside program is \$200 per head more in Alberta than in Saskatchewan. The question that the feedlot owner is saying is, how can we compete? How are we going to grow this industry with the difference in this price per head?

**Hon. Mr. Wartman:** — A couple of things that are important to note — one that this only applies to animals that are in the set-aside, about 8 per cent of animals. And I think also to note that in our ongoing discussions around making these programs as effective as possible we, along with most of the other provincial governments, committed to the fact that we would be involved in these programs as national programs.

In fact Alberta was on that plane to begin with, but they have chosen to do one-offs. And if there is an advantage, that advantage would be assessed at closer to \$100. But what we're seeing is that Saskatchewan operations are still accessing the program. And Alberta does have a treasury that is second to none in the country, and they choose to use that as they will.

That said, we think that the program that is in place, as it was structured, people knew that it would work, and Saskatchewan folks have been participating in it as well.

**Ms. Draude:** — Mr. Minister, you had indicated it's 8 per cent

of cattle. Can you tell me what percentage that is of the actual feeder cattle?

**Hon. Mr. Wartman:** — 8 per cent feeder cattle.

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

**Ms. Harpauer:** — Thank you, Mr. Deputy Chair. I have just a quick question on the CASS program, the Canadian agricultural skills services. It was announced on March 17, 2005, by the federal government. And the information that I have states that it's currently being developed and is designed to help farm families increase their income through skills development and training. And the focus will be improving the farm business or seeking other employment options.

Could the minister tell us the status of that program and if the province will be contributing funds towards that program. And if so, how much has he budgeted to put into this particular program?

[20:15]

**Hon. Mr. Wartman:** — Saskatchewan's contribution to the CASS program is front administration, provision of staff for that. It is a federal program, and we just need to finalize agreements, and this plan should be able to roll forward.

**Ms. Harpauer:** — Could the minister give us an estimate of the deadline of when it will be rolling forward? When will they be accepting and processing applications?

**Hon. Mr. Wartman:** — It's anticipated we should be able to move this forward fairly soon. We just have to finalize some of the agreements around the contribution agreements.

**The Deputy Chair:** — The Chair recognizes the member from Wood River.

**Mr. Huyghebaert:** — Thank you, Mr. Deputy Chair. Mr. Minister, I know we have an awful lot of questions on CAIS. And my colleagues probably have more questions on it. I know that's one of the big things that I get questioned about.

But there's one specific one that was brought up the other day that an individual with negative margins, his file was shipped to Crop Insurance, and Crop Insurance would not release the figures back to CAIS. And he talked to people in Crop Insurance, and they said it would be very, very simple. He said, all we have to do is just enter it, press send, and it would be back to CAIS, and you would have your money coming ASAP [as soon as possible].

And I'd like the minister's comments on this, and if that is a problem or if this is a one or two or three people that this has happened to or what the problem is with Crop Insurance releasing figures to CAIS.

**Hon. Mr. Wartman:** — Stan, our director for Crop Insurance, says that basically there should be no problem. If you have particular constituents or folks that you know who are having trouble, if you can just provide them with the name, they'll

expedite them as quickly as they can.

**Mr. Huyghebaert:** — Well thank you, Mr. Minister, because it has been a problem. That's why I elected to bring it up here this evening. And it's quite frustrating because he said it wasn't a huge pile of money, but it was the process, and he's been waiting and waiting and waiting and waiting, and so if we can expedite it in any which way. But I wonder if there is a systematic problem with Crop Insurance not releasing, because this is just one case, one instance. I'm wondering if there is more instances such as this one.

**Hon. Mr. Wartman:** — Yes, there are some difficulties that they have to make that have caused some problems. Some of it is matching up the way the data is given through CAIS and through Crop Insurance and making sure that they are matching up properly. But on a one-to-one basis, they can sort those out. And I think as this program is developing. As CAIS is developing and as Crop Insurance and CAIS are learning how to flow best together, it will take a little bit of time to work that out. But again, if you have individuals who are struggling, if you can pass the names on I know that Crop Insurance will try and move those ahead just as quickly as they can.

**Mr. Huyghebaert:** — Well thank you, Mr. Minister. Do you have a name of somebody that I could have them contact because he has contacted everybody it seems like, and the problem is there, and it wasn't moving even though he was . . . as a last resort is why he came to me. And so if you can give me a name, or call your office directly . . . or to whom should they direct the call?

**Hon. Mr. Wartman:** — This fine gentleman sitting immediately to my left, Stan Benjamin, the director of the program. If they would call him, he will make sure that it's moved through. Thank you.

**The Deputy Chair:** — I recognize the member from Last Mountain-Touchwood.

**Mr. Hart:** — Thank you, Mr. Deputy Chair. Minister, just to follow up on my colleague's questions, could you give us an indication as to how many CAIS applications Crop Insurance is dealing with. I understand Crop Insurance becomes involved with CAIS applications when the applicant is in the negative margin position. Could you give us some statistics as to how many you've handled in that area to date, and how many files are waiting to be processed.

**Hon. Mr. Wartman:** — There is 1,672, and they have processed about 40 per cent of them so far.

**Mr. Hart:** — Good, thank you for that information. I wonder if you could provide us with the most up-to-date figures for the 2004 crop insurance program as to the total payout to date and, if not all claims have been settled at this time, what you're projecting for a total payout. And how does that compare to the total amount of premiums collected in 2004?

**Hon. Mr. Wartman:** — We would be looking at those processed now about 378.988 million plus, and the total estimate now would put us somewhere in the 394 million range. So we're looking in the high 90s in terms of the per cent payout

now. The total premiums are 292.

**Mr. Hart:** — Thank you, Minister, for that information. So what we're looking at for 2004 is that the crop insurance program will run a deficit of about, for round numbers, \$100 million if my math is correct. And I see that you're agreeing with me.

I have some concerns when I look at these figures, given the fact of the extensive crop damage that we've had in 2004. We had a frost on August 20, an abnormally early frost in a year when our crops were late, and we know the devastation that took place all across the eastern side of our province, across the North. And in fact it did move into . . . subsequent later frost I believe did some reasonable damage in the western part of the province or at least in portions of the western part of the province.

And yet when we have such significant damage you would think that the program would sustain a larger deficit. To me that speaks of the perhaps ineffectiveness of the program. I think I would compare . . . Perhaps a comparison that I heard recently over the winter months may be appropriate. The individual was surmising that perhaps this may be the situation and likened it to homeowners suffering substantial damage to their home due to fire and the insurance company was coming along and offering to replace the shingles. It just seems that the program isn't adequate.

If there is a year when we think . . . you would imagine that payouts would be much larger in a year of such devastation like we've just witnessed. It tells me a couple of things — that first of all our level of coverages are not where they should be and that perhaps acceptance by producers or sign up by producers in the program is not at the level that it should be, whether that be the actual number of producers or the level of coverage selected.

And I would like your comments on those areas, Minister. I have some other opinions, but I would appreciate your comments and perhaps your officials' analysis of why the program isn't more effective than what it appears to be.

**Hon. Mr. Wartman:** — I think there is a significant factor in that prior to the damage from the frost we really were looking at an amazing bumper crop all across the province. So quantity, as I know that you're aware, was very high compared to your normal years.

The other thing that, in terms of the overall picture of crop insurance, when you look at the province, there are certainly areas that had far below normal payouts as well. And I think it's because of that whole picture. Though quality was damaged, quantity was way up.

And I mean I think of, you know, just one example where I was travelling with a farmer in his combine, and he was probably bringing in somewhere in the neighbourhood of 35 bushels to the acre that was damaged by frost. And I don't know the percent damage, but it was going to be all right. He was going to get a return on that one, but quality was certainly down. His wheat was sampled, crops side by side. His neighbour who is just north of him had no damage in the wheat, no damage in his

canola. And you know, given the temperatures, I mean that's amazing. There wasn't any apparent geographic difference that would have explained it, but there, right in that one small area north of Melville, significant differences in the impacts.

And so this . . . I mean we've seen some of this across the province, but it's how it averaged out, and it is the quantity which I think kept it from being huge numbers in the end.

**Mr. Hart:** — Minister, I'm sure that, you know, those certainly were instances, and certainly, yes, part of the reason why the payouts aren't larger is because of the volume.

But also I think that the problem runs deeper than that. I've spoken to many producers in this province, many of them in my own constituency, which was . . . a good chunk of my constituency was hit very hard by the frost. And yet quite a number of the producers did not trigger any payouts under the crop insurance program, particularly for their cereal grains and particularly for spring wheat.

And one of the reasons they didn't is because a lot of them, or quite a number of them, only selected the 50 per cent level of coverage. And so therefore if you had a 35- or 40- or 45-bushel-an-acre crop of feed wheat and under the coverage levels at 50 per cent, it's highly unlikely that they would trigger a payout.

So then the question is, well why would they select such low coverages? That would be a natural question that one might ask. Well I can tell you why they selected such low coverages. Because many producers, particularly on the eastern side of the province, over the years the greatest threat to crop loss is hail. And when your government removed the spot loss hail coverage out of the crop insurance program, you added millions of dollars of additional expenses to producers because now they have to go and buy hail insurance from other sources at considerably higher cost.

And once Crop Insurance got out of the hail insurance business, we saw the discounts and the premiums and so on work against the producers. And so therefore in order to manage their total costs of putting a crop and of insuring a crop, they reduced some of their crop insurance coverage to have some additional dollars to put into hail insurance. And I think that is in fact a fairly significant reason why we have seen, you know, lower payouts than one might have thought under the crop insurance program.

I would just like — I know our time is short — and I would just like to ask one further question, Minister, and it has to do with the CAIS review committee. A committee was apparently struck very recently, and I understand there are federal, provincial, and producer representatives on the committee. Do you have the information as to who will be representing Saskatchewan, both as provincial reps and producer reps? And also in our limited time, could you briefly comment on the terms of reference of the review committee and particularly when this committee will be meeting to review the CAIS program?

[20:30]

**Hon. Mr. Wartman:** — I want to first of all comment again on the issue of crop insurance and the kind of coverage that people are getting. It's important to note that the numbers have basically held in terms of the kind of insurance that people are getting. Certainly in around that 70 per cent level is the weighted average. In terms of the coverage at 50 per cent, we haven't seen any 50 per cent winterkill. We haven't seen any kind of significant increase there. Basically the weighted average has stayed in around the 70 per cent, so that's not a huge factor in the overall picture.

Secondly with regard to the CAIS review, we have two people on from the province: Rick Burton who is a member of the department staff and Jim Robbins. And they will be basically in the review providing advice on the structure, parameters of CAIS, and be setting up an appeal process for CAIS as well.

I think it's important to note that as this review panel was going forward, we did take significant lead in making sure that there were farmers on the committee. It was going to be structured quite differently before the Prince Edward Island meeting, and we were able to make the case that it's very important to have farmers on the committee. And we have that representation. Thank you.

**The Deputy Chair:** — I recognize the Government House Leader.

**Hon. Mr. Van Mulligen:** — Mr. Chair, I move that we report progress.

**The Deputy Chair:** — The Government House Leader has reported progress. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Deputy Chair:** — Carried.

**General Revenue Fund  
Health  
Vote 32**

**Subvote (HE01)**

**The Deputy Chair:** — The business before the committee are estimates for the Department of Health. Could the minister please introduce his officials.

**Hon. Mr. Nilson:** — Good evening. It's a pleasure to be here this evening. And I have with me tonight, to my immediate left, Mike Shaw, the associate deputy minister. Behind him is Bonnie Blakley, the executive director of the health human resource planning branch. To her right is Duncan Fisher, the assistant deputy minister. To Duncan's right is Max Hendricks, the executive director of the finance and administration branch. And to my right is Lawrence Krahn, the assistant deputy minister.

**The Deputy Chair:** — Item 1, vote (HE01). I recognize the member from Arm River-Watrous.

**Mr. Brkich:** — Thank you, Mr. Chair. I'd like to welcome the minister here today and his officials.

I have two different lines of questioning. I just have one question that came through on my . . . a constituent faxed me something today, and I'm looking for, I guess, background information on it. She had phoned, she wanted to know . . . And I haven't talked to her yet. I haven't been able to talk to her, so I'll ask you. She says there is no lab technical fees charged by the doctor for heart pacemaker follow-up visits. But she claims other specialists can charge lab technical fees for follow-up visits. And she had asked, faxed my office with that particular question. So I guess I'll pass it on to you.

**Hon. Mr. Nilson:** — We can't quite understand what it is that you're asking. Can you describe the words again so that we can see if we can figure out what the question is?

**Mr. Brkich:** — This is just what was faxed to me. She says, no lab technical fees are charged by the doctor for heart pacemaker follow-up visits.

**Hon. Mr. Nilson:** — We're still having a hard time understanding what the question is. I mean, the doctor wouldn't charge any fees because the doctors are covered under the medical services plan. But if it's related to some other kind of fee, perhaps you could describe it in more detail.

**Mr. Brkich:** — Well I don't have much. Like I said, I haven't talked to her yet. This just came across my fax machine. So I was going to, like do a follow-up call with her. But she claims that other specialists can charge lab technical fees for follow-up visits. So I guess her question is that for heart pacemaker — like somebody that had a heart pacemaker installed — that there is no provision to charge the government for follow-up visits, from what I get. There's only about three lines here.

**Hon. Mr. Nilson:** — I don't understand what the question is. So maybe you can send me information and we'll get back to you once you have a bit more information.

**Mr. Brkich:** — Thank you. I can just send you this over. You can take a quick read at it right now.

I guess the other line of questioning I want to get into is the Watrous Hospital. I know that they're looking to rebuild, or build a new facility there. Can you tell me where that's sitting in the line? I know they'd approached the government for funding.

**Hon. Mr. Nilson:** — This project is clearly in the horizon as far as being decided but basically it's at the stage in the Saskatoon Regional Health Authority where they're evaluating their projects. And so if you remember the evening when I went through all of the various steps, it's at step 5 out of step 18.

**Mr. Brkich:** — Okay. So they've got in other words five more steps. I know when I was first elected in '99 dealing with the Outlook one, the same thing, they weren't quite sure where they were. They were on the list. I'm not sure where they were on the step end of it. Probably about step 5 and about three or four years later they were finally announced that they got their funding. I guess same argument as with Outlook is that you have your funding in place but costs are always going up so you've got to keep always raising more money to cover it every year. They would like to be moving ahead. Can you just give

me a quick synopsis of step 5 so that I could pass it on to them and I can do it from *Hansard* then.

**Hon. Mr. Nilson:** — Step 5 is where the regional health authority is going through and ranking the projects within their region.

**The Chair:** — I recognize the member for Estevan.

**Ms. Eagles:** — Thank you, Mr. Chair, and welcome, Mr. Minister, to you and your officials. Mr. Minister, the Sun Country Health Authority has reversed or the board there has reversed its decision regarding the centralization of laundry services to Tatagwa in Weyburn. And, Mr. Minister, as you would know, almost no one with the exception of the Sun Country board wanted the centralization of the health care, pardon me, of the laundry facilities in the first place. And I was just wondering if you could give me a reason for the change of heart.

**Hon. Mr. Nilson:** — This kind of a decision is a decision made in the region. And I think that they've made some decisions around how to implement the new laundry in Weyburn and continue with the laundry in Estevan. And I'm sure they'll continue to monitor how the service is provided out of those sites and affirm the positive parts of it. And if there are problems, they'll fix them.

**Ms. Eagles:** — Mr. Minister, they have reversed their decision, and all the laundry is going back and being done as it was before. It's being done in Estevan now. And I was just wondering if you could enlighten me as to why they thought that, the board thought that, you know, taking the laundry to Weyburn was the route to go, and now they've reversed that decision.

**Hon. Mr. Nilson:** — Well it's my understanding that the way the laundry was done in Estevan hasn't changed. They'd made a decision about consolidating, but on further reflection they just let it continue in Estevan. So it hasn't really stopped and started in Estevan. It's continued the way it was before.

But practically they will continue to evaluate how the services are provided and make sure that the various institutions are getting the appropriate laundry in the appropriate ways.

**Ms. Eagles:** — Mr. Minister, as of January all laundry other than the personal laundry was being shipped to Weyburn to be laundered. And since then I've . . . it's in the *Mercury* last week, the Estevan newspaper, that the laundry will now be staying in Estevan. So it isn't continuing on the same way. It is being sent back the way it was pre-January '05 to the way they had done it in previous years.

**Hon. Mr. Nilson:** — Well the information I have is that the laundry decision was talked about, in having the laundry moved, but it never actually was all done in Weyburn and then sent back to Estevan. They continued with that while they were evaluating. They continued with the laundry working in Estevan while it was being evaluated.

**Ms. Eagles:** — I have a quote here where Mr. Spencer, who is the CEO [chief executive officer] of the Sun Country said, you

know, give his reasons for the reversal of this decision. And this Mr. Spencer is the CEO and I was at meetings where the board would not have an open consultation with the people. People crammed into the boardrooms and they were treated very, very rudely and they were denied a public meeting regarding this. And in effect the laundry was moved to Weyburn and now they have went back on that plan and they're going to do it in Estevan again.

[20:45]

And I know 28 people lost their job. They were . . . I know some were working at car dealerships, some found placement in other locations throughout Estevan and so it did in fact take effect.

And I was just wondering. They had originally projected that this centralization of the laundry facility was going to be a saving of \$216,000. And I know that one board member went on to say that he doubts that those savings were going to be realized. So I was just wondering, like, it was in Estevan and then it moved to Weyburn. Now it's back in Estevan. And I was just wondering, you know, what has been spent on this fiasco to date?

**Hon. Mr. Nilson:** — The laundry, the expanded laundry in Weyburn didn't open until about five or six weeks ago so there wasn't extra laundry being done there. Now what happened in February was that the Sun Country Regional Health Authority determined that it would not go ahead with the transfer of the institutional laundry to Weyburn from St. Joseph's Hospital in Estevan. The original plan had a savings of \$216,000. They anticipate that the plan that they have now implemented will save them about \$59,000, so they're still saving some money but they're not saving as much as they thought they would.

**Ms. Eagles:** — Mr. Minister, could you tell me how much money was spent on the modified facility in Weyburn that they had to make modifications of it to accommodate the Estevan laundry?

**Hon. Mr. Nilson:** — All I would say is, this is a brand new facility with a brand new laundry built in it with capacity to do much more laundry from across the whole region, and that capacity remains there to do the institutional laundry. And after some initial start-up challenges, my understanding as of this week is that it's operating quite well.

**Ms. Eagles:** — Mr. Minister, I understand that now there is going to be a flow analysis made of the service to see where the situation stands heading into the summer of 2005 and, as with all analysis, they come with a cost. And I was just wondering what the cost would be of this.

**Hon. Mr. Nilson:** — Well I think that what you may be talking about is the regular operational reviews about how the service is provided to the various institutions throughout the regional health authority. And that would be something that's ongoing within the administrative costs of the . . . how they run this particular part of the service for the various institutions, and so therefore would be just in their normal budgeting and not require extra money.

**Ms. Eagles:** — Thank you, Mr. Minister. Mr. Minister, is it true that the Tatagwa centre in Weyburn, that the laundry department is located in the basement of that facility and the basement has severe water problems, been flooded, and that is causing some problems?

**Hon. Mr. Nilson:** — I think the answer to that is no. I've been to the laundry space while they were installing the equipment and it's on ground floor and you can look out the window and see the trees and the grass.

**Ms. Eagles:** — Thank you, Mr. Minister.

**The Chair:** — I recognize the member for Rosthern-Shellbrook.

**Mr. Allchurch:** — Thank you, Mr. Chair. Mr. Minister, welcome to your officials tonight.

I want to start off with the letter that was sent to seniors in my area, and it's from the P.A. [Prince Albert] Parkland Health Region, and it's dated March 23, 2005, and it's to all wellness clinic foot care clients. And it states that:

The . . . [P.A.] Parkland Health Region has been providing wellness clinics in many communities through out the region for an extended period of time. Many . . . residents have accessed the services [that are] provided by these clinics.

One of the most utilized services that the wellness clinics provide is foot care.

. . . In order to continue to provide this service at the wellness clinics, the region will be implementing a cost that is consistent with the cost of a billable unit of home care service. The cost of a unit of home care service is set annually by Saskatchewan Health and currently is \$6.36.

In comparison, the fee for podiatry services . . . has risen from \$10.00 to \$30.00 and to access services from a private . . . [foot care], the cost . . . [of] an individual would be \$60.00 a visit.

I'm wondering, Mr. Minister, is this something that Saskatchewan Health is implementing to all the regions in the province, or is this strictly coming from the Parkland Health Region?

**Hon. Mr. Nilson:** — You've asked three questions, I think, all in one, so I'll try to break them out and answer them.

The \$60 private fee for a podiatrist, those are set by the private podiatrists, and they can set any fee that they wish. We don't have any control on that. The \$30 podiatry fee which is part of the government program, that was a budget decision a year ago. So it was in effect from April 1, 2004, up until now. So that was a province-wide decision, and that's the same charge right across the province.

The third question around the charge for home care aid to provide some assistance, that is a Parkland Health Region decision there, and that's made around their wellness clinic, and

that's a fee that they've set. Now they've tried to relate it to a home care fee, but it's actually just within the region that they've set that fee, and it's not a province-wide one.

**Mr. Allchurch:** — Well thank you, Mr. Minister. So in other words the \$6.30 is something that the P.A. Parkland Health Region is implementing, and it is equal to a cost contributed by home care. Is this correct?

**Hon. Mr. Nilson:** — The home care fee is province-wide but the way . . . they have basically created a service in their wellness clinic and then used a comparable amount to what is the home care fee across the province for other services.

**Mr. Allchurch:** — Well thank you, Mr. Minister. Then in other words then, the Prince Albert Parkland Health Region is implementing this \$6.30. In regards to that, is there other services that can be added to this list? In other words, is there other services that Parkland Health can add to this list where it would be a cost to our seniors in this area?

**Hon. Mr. Nilson:** — Well basically the Prince Albert Parkland Health Region has a wellness clinic, and they've implemented this fee as set out in the information that you've provided. Other possible fees that they might charge for would be some kinds of supplies if they were required. But it's . . . Each region deals with these kinds of things themselves and so that there is some variation, I think, across the province.

**Mr. Allchurch:** — Mr. Minister, to your knowledge, is there any other health region in the province that is going down this road other than the Parkland Health Region?

**Hon. Mr. Nilson:** — The fees that are additional in long-term care are not very many. There are a few spots. Some places do charge for some of the supplies that are required. Others don't. On a province-wide basis, as these issues arise, there is a group of people working together with some of the representatives of the regional health authorities and the department to make sure that there is some consistency across the province as some of these new ideas arise.

**Mr. Allchurch:** — Thank you, Mr. Minister. To the seniors of this region, they're very upset at the fact that every year they go for service that was there before free of charge and now they're being charged. They're also wondering what happened to our free medicare system that the Hon. Tommy Douglas brought in some years ago. They're upset, and they recall, many of them recall, that when Tommy Douglas brought this in, they were in favour of it. At that time I believe, when first medicare came in, I think there was a cost on a family basis which was approximately \$170 per family.

At the rate that not only the Parkland Health District but the government is going, is there going to be added cost to the seniors regarding health care, and is the government looking at coming up with a cost on a family basis to cover off some of the medicare services that we have in this province?

[21:00]

**Hon. Mr. Nilson:** — Well I think that we need to remind ourselves a little bit about what Tommy Douglas brought in.

Originally it was just hospitalization costs. So that was in the late '40s. And then in '62, they brought in medicare which was the doctor costs. But there wasn't coverage for a number of other things.

Under the Canada Health Act, long-term care — which is where the questions you're raising now — that's not included in there, but we include and in fact pay I think about 77 per cent of the costs of long-term care for almost 9,000 residents in Saskatchewan.

But what you have to remember is that we have continued to expand what we cover, but we still don't cover everything, and it's that challenge about which things we decide to expand to cover.

You will recall that diabetic supplies, some of those things we increased the coverage there, just a year and a half or two years ago, and that was a very positive move. But there are some things that we don't cover for diabetics although we continue to look at that.

And so if your question is, are we continuing to look at how broad the coverage we have is and where we might expand it, the answer is yes. But we're also very careful as we look forward in doing that because we want to make sure that it's sustainable in the long run.

**Mr. Allchurch:** — Well, Mr. Minister, if you're talking about expansion, I think to the seniors of this area, and I guess we're only dealing with the Parkland Health Region, the seniors there feel that they are being extra charged for this because up until this time it was free of charge, which begs another question, Mr. Minister. Is this not a form of user fees? And if it is, is your government going to implement anything more regarding the seniors?

**Hon. Mr. Nilson:** — Well I think that what you have to recognize is that there are kinds of things that are charged for — sometimes it's supplies — and these are all things that we look at very carefully. Practically we end up trying to balance what is part of the original health care plan, what's under the Canada Health Act, and then we look at our further agreements about what other kinds of things we're going to supply.

We will continue to examine some of these things and try to make sure that we're providing a base that covers most things that are expected.

But practically there are quite a few things that we still don't cover, and that's why it's important for people to look at what is covered. A good example is out-of-country travel. People need to make sure that they have insurance to cover those extra costs. Another example is that if you're under 65 years of age and you require an ambulance, then you're going to end up with a bill for the ambulance service. If you're over 65, it's a flat fee of \$250.

**Mr. Allchurch:** — Well, Mr. Minister, in regards to your answer, this was something that was free before, and now there's a charge on it. I can understand where you're coming from as far as diabetics because I am a diabetic, and there are things that the government has implemented, and I thank them

for that.

But in this case here, Mr. Minister, we're dealing with a service that was there and has been there for a long time, and now, as of just days ago, now there's a cost contributed to it. And the seniors feel that they've been unjustly picked out and have to pay for a service that was there before.

**Hon. Mr. Nilson:** — Well I think the best way to describe this is a balancing act. Some of the regions decide to provide wellness clinics as something a bit extra, and not every region has that. It's not something that's part of a province-wide mandate. And so when they bring forward their budgets around how they're going to provide some of these things that have been added into the system, well then they end up with sometimes a suggestion like what's come from Prince Albert Parkland. And that's exactly why we've been looking at this on a province-wide basis because there aren't very many situations like this, and it does usually relate to something that's a bit of an add-on in a particular region.

**Mr. Allchurch:** — Well, Mr. Minister, if the senior decides to go to the emergency hospital for this to be done, is it covered under Saskatchewan Health?

**Hon. Mr. Nilson:** — This, I don't think this service would be provided at the University Hospital. It's not something that you would go to the University Hospital for.

**Mr. Allchurch:** — Mr. Minister, if the senior went to a local hospital in my area, I'm sure he would get that done. Would then he have to pay a cost then, or is it covered under Saskatchewan Health?

**Hon. Mr. Nilson:** — I would not expect that foot care, getting your toe nails cut, would be done at the hospital. And I don't encourage people to go there to get that done.

**The Chair:** — I recognize the member for Biggar.

**Mr. Weekes:** — Thank you, Mr. Chair. Mr. Minister, the last time I got in one question — there wasn't enough time — but it was concerning the Biggar Hospital. And the history of the Biggar Hospital is that we lost the kitchen facilities. It was moved to the Diamond Lodge, and that created a lot of uncertainty in the community.

Now to the regional health board, to their credit, they are building a brand new ambulance garage with wider doors and all the special showers to de-contaminate the workers and things like that. So that's very much to the credit of the region.

But the problem right now is we have . . . is really in Biggar we need three doctors. And one doctor left, I believe, last December. And the clinic was owned by the three doctors, I believe, and now it's two doctors. And they are trying to attract a doctor, I believe, from South Africa, and hopefully, this person will be coming.

But my question is, first, if you have any information about how that is working, if that doctor is coming to Biggar or not. But more on a broader question, what is the government, what is your department doing to attract doctors — whether they be



foreign doctors or Canadian doctors or newly trained doctors — into communities like Biggar which is a rural centre which is only 90 kilometres from Saskatoon and has many advantages but still is considered a rural centre? And many doctors don't want to come to a place like Biggar. And so if you could just answer those couple of questions for me, please.

**Hon. Mr. Nilson:** — It's my understanding that the local clinic and the doctors involved there along with the local community have started their recruiting process and that, according to the information we have from the regional health authority, they're pretty optimistic that they'll be recruiting somebody very soon. Because Biggar is a good place to live, a good place to practice, and that in the whole scheme of things it's a good place to be a medical doctor. So there is a . . . I think they're very optimistic about what is happening there.

**Mr. Weekes:** — Well that's good news. Just to reinforce a situation, the two doctors that are there are basically on call more or less 24 hours a day. And, like, I've talked to both of them, and they said it's fine if they know that it's going to last for three months or six months, and they know that they're going to have a third doctor. The risk the community is running that if there isn't a third doctor shows up, I mean quite frankly, there is going to be health concerns, stress concerns, to the two remaining doctors and ultimately will have no doctors if something isn't done.

And again I guess my question to you, Mr. Minister, is: is your department playing a more active role to attracting doctors to Saskatchewan, not only in communities like Biggar but . . . The Heartland Health Region is short four doctors. And I'm sure every situation is the same as I described in Biggar, that the load is left onto the doctor or two doctors that are left in the community and at some point that situation will come to an end and they'll lose their doctors, their clinic, and possibly their hospital because of a lack of a physician.

**Hon. Mr. Nilson:** — Well what you're describing is something that happens in communities from time to time and it really is a concern. Part of our overall plan, and it's part of the action plan, is to try to have practices have at least three doctors so that that cycle of call that you were just describing doesn't happen. And so we'd like to try to get at least three doctors. When there are challenges like what obviously is happening now, through the Saskatchewan Medical Association we have a locum relief program where they have some ability to find people to come in and provide some relief. So that's a short-term kind of solution.

But I think you asked more generally about what we're doing to retain doctors and recruit doctors in rural areas, and there's quite a number of programs. And I'll just list them and you may have questions about specific ones and you can ask me about it.

But we have in the medical school, family medicine residency bursary programs that encourage people to go into rural practice. We also have what's called a rural practice establishment grant to help people set up practice in a rural area. We have a regional practice establishment grant which also serves that purpose. We have our bursary programs for the students. We have rural practice enhancement training so if somebody wants to practise in a rural area and then they discover, well maybe if they had some other skills it would

complement the local team of doctors in that facility, there's a way to get some training money. We have a continuing medical education program for rural emergency care, so that provides some assistance for people who want to beef up those skills. We have rural travel assistance program and rural extended leave program, both of which are there to assist people who provide services in rural areas.

**Mr. Weekes:** — Thank you. On another topic — it's my personal family situation, but my mother had a stroke in '94. And to my father's credit and his good health and his good luck and his willingness to keep my mother at home, he's been able to keep her at home. And she has serious physical problems and he's able to keep her at home because of home care. And I just want to give your department a bouquet because home care is the reason she's still at home. And I know home care does good work and that's a very good thing. The two ladies that come out to help with my mother really have become a part of our family and we really appreciated that.

Two points I want to make is that these home care workers, well everyone needs more money but I think in the home care system these people deserve more money. And it's just not for the work they do but also for the savings that home care and these workers give to the health system. Because if they weren't in at home, my mother would be at the local Diamond Lodge. And I'm assuming it would be much more expensive to keep my mother at the lodge than it would be at home. And I'd just like to just reinforce the fact how important home care is.

[21:15]

And I guess what I'm suggesting is to increase the cost of home care by giving these workers more money. But on the other hand, I think if the program was expanded and there was more people in the communities . . . because I know in other parts of my constituency there aren't the people that will work in the home care field. There's a shortage, and that means these people that have serious physical problems are in homes or on waiting lists or shuffled around the health region.

So I guess my point is, have you considered giving more money to home care workers and expanding that? And again, I just would like to say that's a very important program for many families.

**Hon. Mr. Nilson:** — Well I appreciate the positive comments about home care. And if you'll look at the home care budget over the last 10 years, you can see that it's gone up each year because of the kind of positive response from the public of getting help in their homes.

The issue around compensation is presently at the bargaining table, and I'm sure they'll take into account the kind words that you have this evening as they go forward with that.

I would also say that one of the things that we are looking at doing which expands home care, because you asked a bit about that, is mental health home care. And we're moving very carefully but there are oftentimes when just having that consistent visiting of a home care aid or nurse when you're taking medications for some mental illnesses can mean that you can live at home and not have to be in an institution. And that

accomplishes the same kind of positive thing that you were describing about your mother.

So on behalf of all those people, thank you very much. And I say thank you to them, too.

**The Deputy Chair:** — I recognize the member for Indian Head-Milestone.

**Mr. McMorris:** — Thank you, Mr. Chair. I've got a number of questions in the time that we have, in a number of different areas, so I probably won't spend a lot of time in any one area. I want to cover about three or four areas.

But I have one general question to start with that has come to mind . . . well I've been thinking of for a number of months, especially since I have become the health care critic. But it was kind of brought to the forefront yesterday when I was watching the news and listening to the debate that was going on in Alberta right now with Klein, and what he has been saying. And the federal minister, Dosanjh, was out in Alberta and talking about the system that we have in Canada. I mean there was some talk of private delivery and the issue with the federal government saying, no it has to be all public.

As I looked in Saskatchewan and look at the services that we offer here in Saskatchewan, there are private delivery. And we just talked about the podiatry, the issue about podiatry. In some health districts it's covered, in other health districts it's delivered privately. There are many examples where there is a public-private partnership in, for example I can think of laboratory services here in Regina with some of the lab services that are available. And you can start looking at many different sections of the health care delivery in our province, and there is private deliverers of health care.

I guess my question to the minister is, how do you determine where is the cut-off line? You know, there has certainly been some talk of MRIs [magnetic resonance imaging] and the one reserve, First Nation, that's looking at putting an MRI on their reserve, it would be looked at as private. There is the issue in my constituency with the Fort Qu'Appelle, the First Nation, the Treaty Four healing centre, which is a kind of a hybrid partnership. How does the department determine — and this is a very, very large, broad question — what they will allow the private sector in, per se, and in certain areas, I mean it's just forbidden, taboo. Where is the line and how do you determine that?

**Hon. Mr. Nilson:** — Well my initial response to your question is, carefully and thoughtfully. So it is a challenge to look at. But under the Canada Health Act there is a strong sense of public administration of the health care system, but recognizing that there are many private deliverers. And that's the doctors or can be some of the ambulance services. It can be chiropractors. And so the goal is to try to provide a service that covers as many people as possible and do it in a way that recognizes that we are using public dollars to fund it. I think just as a point of information, in the Canadian system it's about 71 or 72 cents of every health dollar come through public funds and 28 or 29 cents that come from private funds or insurance and other kinds of things, and so we try to maintain that balance.

Now in the States it's not that much different. In fact, when they tally together all of the state and federal funds and county and local funds that go into health care, they're probably somewhere around 60 per cent publicly funded versus our 71 or 72, but it ends up being many people in the States who don't have basic coverage. And that's one of our goals, is to make sure everybody has good basic coverage.

**Mr. McMorris:** — I certainly agree with the whole concept of universality. That's not the issue. And also as well as the funding and where the funding source is — and as you pointed out, the percentage here in Saskatchewan of, or probably Canada, but publicly funded as opposed to insurance.

But it's on the other side of the issue. It's not how we fund it, it's the delivery of the service. And you already have mentioned, you know, whether it's ambulance service or chiropractors or laboratory work, how do you determine where you allow private deliverers into the system? How do you determine that we can have private delivery of ambulance service but we can't have private delivery of, for example, an MRI, of the delivery of the service?

You know we can have private delivery of laser surgery. There's examples of private delivery, not that I'm saying that's the way to go or we should go further. All I'm trying to kind of get a grasp on is, how do you determine which one, which areas we allow private delivery into and which areas we don't?

**Hon. Mr. Nilson:** — Well I think that there aren't black and white decisions made. And I'll just give you a few examples. Originally with the long-term care, most of that was provided by private operators, but as it became subsidized some of the private operators were sort of grandfathered or grandmothered into the system. So they're still there and providing service and funded that way.

With ambulance service many of those, if not all of them, were not province-wide. For sure they weren't provincial service. Some were municipalities, many of them were private ones, privately operated, and in certain instances it made more sense to bring them into the provincial system.

But when you look at new technology and the kinds of things that are funded in our medical system, then we look at practically what is the most cost-effective way to provide that service for the population in any particular area.

At this point with MRIs it's made sense to have those placed in hospitals, which are publicly funded. Will that change? Well I think that is something that you continue to look at and see what makes sense. We do have some guidelines set out in the Canada Health Act that we have to continually watch and make sure that we're not offside with those either.

**Mr. McMorris:** — So I don't want to put words in your mouth, but I would almost say that what you're telling me is that it is a situation-by-situation or case-by-case decision.

You know, we use the example of laser surgery. You mentioned, and I mentioned prior to you, about MRIs. I mean some of the diagnostic equipment now, who administers it and delivers it? It's all public, but you're saying perhaps in the

future.

There is nothing saying through the Canada Health Act that there couldn't be a private deliverer, I guess. I guess what you're saying, from what your words were, it's a situation-by-situation . . . I mean you take each situation, look at its merits and say, this is better delivered publicly; where some you have obviously said, it's better delivered privately. Would that be a fair statement?

**Hon. Mr. Nilson:** — I think the basic principle that you have to keep in mind is a publicly funded, publicly administered health care system and what things can be provided for all members of the public. And when you look at how you do that, there may be some ideas or suggestions about how you accomplish that. But ultimately if you're using publicly administered or publicly funded system, then that will be a basic principle that you use when you look at everything.

**Mr. McMorris:** — I had better move on to all the questions that I have in front of me, because that wasn't the one that I had in front of me, and we've already taken 10 or 15 minutes regarding that.

What I did want to talk about, or ask I guess a little bit about, and I'm sure . . . I don't know if you have read the article, but I'm sure probably some of your staff have. I guess it was in today's *Globe and Mail* regarding the Saskatchewan Cancer Agency and some of the issues around mammograms and certification and the issue around that.

I would be interested to know . . . First of all the article talks about a mobile machine in the North Battleford area that has had its service suspended. It said that “. . . the Saskatchewan Cancer Agency's mobile North Battleford machine has been suspended . . . [from service]. Is that correct and why? That was, I guess, quoted in the paper.

**Hon. Mr. Nilson:** — Let me explain what the situation is here. There are a couple of different things happening. One is that the Saskatchewan Cancer Agency has set up a mammography screening program across the province, and they've done that working together with specialists in Saskatchewan who have been identified and certified by the College of Physicians and Surgeons in Saskatchewan. And they use equipment across the province that meets all of the standards that's regularly inspected by appropriate people who inspect this equipment.

What we . . . and basically they have a system for assuring the quality of the diagnostics and of the people who are doing the reading of this. So all of the screening of mammography that's done through the screening program are checked and interpreted by radiologists in Regina or Saskatoon who are certified by the Royal College of Physicians and Surgeons of Canada. All radiologists in Saskatchewan are licensed by the College of Physicians and Surgeons in Saskatchewan to practise in their specialty area.

And then all of the equipment has twice-yearly preventive maintenance and safety checks now. So the Saskatchewan women can be assured that there is a quality service.

[21:30]

Now what's the issue that's in the paper here today? Well over and against the College of Physicians and Surgeons and then the Royal College, nationally, there's another group which doesn't include all the radiologists and is run by Mr. Laberge who is a lawyer — he's not a doctor — and he, he has developed a method whereby they assess equipment. And what his comment is, is that in Saskatchewan we don't use his particular assessment.

Now I think you have long . . . you know, know something about some other areas where there are different competing certification processes around particular equipment that's being used. In Saskatchewan because we don't use our equipment in the same way as what this CAR [Canadian Association of Radiologists] recognizes, in fact that we take some of the mammographies and have them come to be interpreted centrally in Regina and Saskatoon, then it doesn't fit with their certification process. And I think that a lot of this is about that.

**Mr. McMorris:** — So a number of the provinces use the Canadian Association of Radiologists to certify their equipment. We don't do that. We use the College of Physicians and Surgeons.

That's interesting because a number of provinces have mandatory certification through this organization. Would you have any idea of how many provinces use the Canadian Association of Radiologists, because by the looks of the article a number of provinces have mandatory accreditation through that organization but Saskatchewan doesn't. And we use a different, I guess, certification agency, and it's the College of Physicians and Surgeons.

But even through that, what is the issue around the suspension of service of the one mobile unit in North Battleford? Is that true? And are there other facilities that are close to losing their accreditation even with the organization that we are using to certify them with?

**Hon. Mr. Nilson:** — The equipment in North Battleford wasn't suspended or had any problem. It was just the accreditation. And this relates to the fact that the screening was done by the radiologists in Saskatoon as opposed to on-site in North Battleford.

Now you asked how many provinces use them — Quebec, Alberta, and Nova Scotia. There's only three provinces that use CAR as their . . . and mandate accreditation through CAR. So of the jurisdictions in Canada — we say there's 13 including the three territories — 3 out of 13 use CAR, and British Columbia is looking at it. But because of some of the ways that they've set up their rules and because of our strong tradition of quality in how we've developed our program before they even did this service, then we're quite satisfied with the kind of quality that we provide here.

**Mr. McMorris:** — So regardless of the group then, whether it's CAR or the organizations that we use in Saskatchewan, the facility or the mobile unit in North Battleford, certification ran out. What does it take then to be recertified, and how many other facilities are in that same position of losing their certification?

**Hon. Mr. Nilson:** — I think the issue here is that this Canadian Association of Radiologists doesn't understand how we provide these services in Saskatchewan. It doesn't fit their model. And so some of the places that did have this accreditation, they've . . . it's lapsed or they've changed it. But it doesn't mean that the service has changed or how we've provided it has changed.

Part of what's happening here, frankly, is that an organization that earns revenue by certifying things has developed a marketing strategy to try to expand its certification role across the country. And it's unfortunate that when they do that, they scare women right across the whole of the country.

And so I think practically, we've provided good service in this program in Saskatchewan over many years, and we have quality assurance procedures put in place by the Saskatchewan Cancer Agency. We work carefully with the College of Physicians and Surgeons to make sure that the people who are doing this work have the proper credentials, and we also then have another safeguard in that screenings that are done outside of Saskatoon and Regina come to Saskatoon and Regina and are reviewed again.

**Mr. McMorris:** — Thank you, Mr. Minister. I'll leave that area because again I've got a couple of other areas I want to get through before the time is up.

And one is on regarding specialists in the Regina Health Region as compared to the Saskatoon Health Region . . . health authority, I should say. And the discrepancy in numbers in some of the specialists like . . . and you can correct me if I'm wrong. These are numbers that I have been given in a letter that I received, and so I would be interested to know if these numbers are accurate and if they are accurate, some explanation on such a discrepancy in the numbers.

For example, anaesthesiologists in Saskatoon, they show that there is 42, and in Regina there's 17. Psychiatrists in Saskatoon, 31; Regina 6. Now I don't know, again you can correct these numbers if they're wrong. I'd be interested in the department's numbers and then also if there is a discrepancy. Orthopaedic surgeons, 16 in Saskatoon, and 9 in Regina Health Authority. Urologists, and I don't have the numbers, but I know just from a number of people that I've dealt with that say that there's, you know, quite a discrepancy in the number of urologists between the Regina Health Authority and the Saskatoon Health Authority.

So if you could give me some of those numbers and then explain to me the discrepancy between one health authority as opposed to the other health authority.

**Hon. Mr. Nilson:** — I thank you for this question because it relates to a number of different things. But practically the simple answer relates to the fact that the main campus of the College of Medicine is in Saskatoon. And some of the decisions made in the late '80s around funding for the College of Medicine actually collapsed what was the southern campus that was based at the Plains hospital. And at that time many specialists, if they wanted to continue with an academic medicine and a practising medicine, were almost forced to move to Saskatoon. And so that had a fair effect on what's going on.

So when you look at the numbers, it often is about that one-third of the number of specialists in Regina versus Saskatoon. Now there's a couple areas where Regina has more. So we have more cardiac surgeons, for example, in Regina than in Saskatoon. But as far as most other areas, there would be more in Saskatoon, and it is related to the medical school. It ends up one of the goals of the College of Medicine over the last year and a half or two years . . . has been to appoint an assistant dean of medicine in Regina and to affirm the role of the Regina hospitals as teaching facilities in the College of Medicine, and also that's true with nursing as well.

And so what we see is an attempt to try to deal with some of the challenges that arose from the late '80s as it relates to the distribution of specialists. But effectively, if you look between the numbers I have as of March of this year, that we have about 356 specialists in Saskatoon and about 167 in Regina. And so there clearly is a discrepancy.

**Mr. McMorris:** — Yes, that's interesting. That's a huge discrepancy. And I understand the issue a little bit about the change in the late '80s regarding the teaching facilities. I think the biggest challenge that I would say that southern Saskatchewan faced was the challenge of when the Plains closed. It wasn't whether the teaching facility was gone; it was that the hospital was gone. But that's a whole other story from another day. That was under this government's administration.

But I still do question the fact that . . . And I understand with the teaching facility in Saskatoon the need for more specialists. But that is a huge discrepancy. That's, you know, that's 2:1 at least. Now with the 2:1 increase in specialists in the Saskatoon area, what is . . . can you compare then the number of procedures done, roughly, in the Saskatoon Health Authority compared to the Regina-Qu'Appelle Health Authority when there is a 2:1 discrepancy in specialists? And I realize some of them are through the college, but that is . . . I mean, to me that just doesn't account for the variance in specialists.

**Hon. Mr. Nilson:** — Well the first thing that I will do is correct you about the closure of the Plains hospital. That happened about seven or eight years after the decision to move the medical school, so I think there was some connection there.

But I think what I would point out is that when you look at the specialists in Regina, they are primarily providing service. In Saskatoon, many of the specialists also are doing teaching and research and so that when we look at the actual services provided — which I don't have all that information here with me tonight — but you can actually see that there's not that big a difference in the actual numbers of services provided. And so that's one of the factors we have to look at when we are trying to examine how services are provided.

The other factor for Saskatoon is that when there are sub-specialties in a particular area — so you might have some sub-specialty of surgery or psychiatry — primarily those have been located near the medical school and provide a province-wide service. So their patients would come from all over. A pretty good example I suppose is geneticists. They're pretty well all located in Saskatoon near the medical school and the university.

But we also on a prairie-wide region are now sharing with our neighbours in both Manitoba and Alberta and BC [British Columbia] because the specialties have become more and more narrow. And to provide some specialties, we would provide a service out of Saskatoon or even Regina that might not be in other parts of the Prairies, but many services that we require would be in Edmonton or Calgary or Winnipeg or Vancouver.

**Mr. McMorris:** — Thank you, Mr. Minister. In no way did I try and link the fact that the Plains hospital closure was with the teaching facility. What I was linking was the Plains hospital closure with your government. That's what I was linking it to, not the fact that there is no longer a teaching facility. And I just wanted to make sure that the minister was clear on my connection there and my link.

One last question regarding specialists, are there any anesthesiologists employed with other health districts? Are they all located in Regina and Saskatoon, or do we have any anesthesiologists employed under other health authorities?

**Hon. Mr. Nilson:** — Yes, as of March 15 there were 22 anesthesiologists in Regina, 49 in Saskatoon, 3 in Moose Jaw, 5 in Prince Albert, 1 in Yorkton, 3 in Swift Current, and 1 in North Battleford.

**Mr. McMorris:** — Mr. Minister, I have a couple of other questions regarding the health care contracts. I'm not going to ask anything about the SUN [Saskatchewan Union of Nurses] contract because of course it's being negotiated right now.

But how many other bargaining units are going to have the ability to be renewing their contracts? How many are we looking at in the next four or five months?

[21:45]

**Hon. Mr. Nilson:** — In addition to SUN, where their contract expired on April 1 of this year, Health Sciences are negotiating; the Saskatchewan Government Employees Union, the Service Employees' International, CUPE [Canadian Union of Public Employees] and also the RWDSU [Retail, Wholesale and Department Store Union]. All of those are presently negotiating right now and their contracts have expired.

**Mr. McMorris:** — Roughly then, how many employees would be covered under those bargaining units . . . and even if you just give me a ballpark percentage of the health care workers in this province. When you take SUN is negotiating right now, as well as the number of the other bargaining units, are we looking at 80 per cent of the health care workers in this province are negotiating a contract right now?

**Hon. Mr. Nilson:** — Everybody except those who are in scope are . . . except those who are out of scope are bargaining right now. So it's all of the people involved, and I think the numbers on full-time equivalents are 25,000 plus. If you talk about the actual people, it's up around 35,000.

**Mr. McMorris:** — So in other words, every in-scope employee in this province dealing with health care is in the process of renegotiating their contract. And if things didn't go quite the way they wanted and the process took too long and they

eventually . . . if they voted to move towards strike, every health care worker in this province has . . . could have, hypothetically, the ability in the next month or two or three to be on strike in his province. Is that correct?

**Hon. Mr. Nilson:** — Well I think your question can be answered in a technical way, but in a practical way bargaining has just started with SUN. The other groups have been bargaining and working at a number of different issues. They've clearly been trying to get a sense of what kind of resources are going to be at the table, at each of the tables. And so people are working to get resolution right across the board, but we're not there yet.

**Mr. McMorris:** — Yes. In other words, 0, 1, and 1 is maybe a bit of a stumbling block right now in some of the negotiations, but we'll leave that alone because that's really not what I wanted to talk about.

But I would ask the minister, when they are negotiating these contracts and settling these contracts, how wise is it that 100 per cent of our health care workers' contracts expire on the same year? And is there not an ability to alter — not alter, to stagger — some of those termination dates of those contracts?

I mean, it does seem a little curious that 18 months after the last provincial election that every contract would be coming up for negotiation. One may even, one may even think that perhaps the government of that day didn't know whether they'd be in power this day and so had all the contracts come up at once and thought maybe somebody else will deal with it.

Now this government, your government is dealing with it and what . . . you know, I just question the wisdom of having every health care worker's contract come up right now.

**Hon. Mr. Nilson:** — Well I think the first point is that it's not accurate to say that they're all expiring at once. The Health Sciences and the various service provider unions, they all expired a year ago, and the SUN contract just expired this year.

But they've been on that sort of three-year cycle for quite a number of contracts and so that practically the contracts are entered into with each group. But basically, SEIU [Service Employees' International Union], SGEU [Saskatchewan Government and General Employees' Union], and CUPE and HSAS [Health Sciences Association of Saskatchewan] have been on the same timeline. SUN has been on a different timeline. The doctors are on another timeline as well.

**Mr. McMorris:** — So when the . . . if and when the . . . well not if, but when the contracts are settled, then how will that work?

And maybe . . . I don't know whether you can answer this question or not. Will SUN always be one year staggered from all the other service contracts? Or will there, if everything was settled in the summer of 2005 with a contract agreed upon, and it goes on a three-year termination, are we looking at 2008, the summer of 2008, having 100 per cent of the health care workers; or does it start, SUN's contract, of course, retroactive to when it was terminated?

But then we're still only working on a year stagger, SUN and then the other whatever percentage of health care workers that next year.

**Hon. Mr. Nilson:** — Well if the contract terms continue to be on three-year terms, the SUN contract will expire on March 31, 2008. All of the other contracts would expire on March 31, 2007. So there'd be the same sort of timeline as there is now.

Now each time there's negotiation, one of the terms that's negotiated is the length of the contract. And we've seen some longer term contracts over the last couple of years have been negotiated and sometimes there's some shorter term ones. But practically, at this stage that's not something that has been fixed.

**Mr. McMorris:** — Could the minister tell me how many bargaining units within the health care sector are bargaining their first collective agreement? Are there any bargaining their first collective agreement?

**Hon. Mr. Nilson:** — None.

**Mr. McMorris:** — In the time that we have left, I would like to ask the minister a couple questions on the ambulance issue that we had talked about last week, and certainly had a number of the ambulance, the EMS [emergency medical services] folks in the gallery.

And it was interesting because you were talking last week about how different health districts had different rates set, some at 250 and some . . . or 275, I forget the exact number, some at 200; pickup fees, that type of thing.

The other issue then is not just the pickup fee but the grant that . . . the formula that is determining the grant that goes to especially the private service deliverers, whether it's in Yorkton, whether it's in Saskatoon. There's a couple in my constituency. Could the minister give me kind of just an overview on how they determine the grant that goes to the ambulance operators?

Because we've heard back from a number of the ambulance operators that say that if they increase the pickup charge from 200 to 250 or 275, what that eventually does is claw back from the grant that is given to the health district to supply ambulance services. So could the minister explain to me how that whole system works?

**Hon. Mr. Nilson:** — The question that you asked was around how they negotiate what kind of grant or amount goes to the ambulance services. Basically the regional health authority managers sit down with the ambulance operators and have them present a budget which sets out what the estimated numbers of accidents or number of incidents that they will be dealing with, the number of vehicles they require, estimated number of employees, and they set an overall budget. And then they negotiate an amount that relates to that.

**Mr. McMorris:** — One last quick question because we don't have much time.

From what I understand with the Yorkton situation though,

they're classed as a rural ambulance service and hence that's the \$200 pickup compared to the urban ambulance services. But they're also required then to have 24-hour service, full-time . . . I think there's three people full-time or at the service through the night, whereas many services can have people on call.

But in Yorkton, for example, they can't because of . . . you know I mean it certainly isn't just the rural. It does an awful lot of urban calls, and they need people there full-time. And is that taken into consideration?

You sent the . . . you mentioned that what is taken into consideration is the number of employees. But is it also taken into consideration the fact that they need to have employees there full-time, not on call, not to be called in if there is an accident, an MVA [motor vehicle accident] or whatever else. They have to have them there full-time. And is that the discrepancy between Yorkton and some of the other communities?

**Hon. Mr. Nilson:** — Basically the region would negotiate with the operator around what service was required, and if in fact the service that was required was agreed to be 24-hour coverage with what you are describing, well then your overall payment would reflect that agreement that they've reached.

And so it's based on what are the circumstances in any particular region, and so wouldn't be exactly the same as Swift Current or North Battleford or anywhere else.

**Mr. McMorris:** — One last question, and I think this will be the last one. I understand that, but you're saying that the contract is negotiated of course through the ambulance service and the health district. But what the health district receives from Sask Health, so how is that determined? I mean, so Yorkton will say to the ambulance service, you need to have full-time people, 24/7. But is that reflected then in the money that is transferred from Sask Health to the health district?

**Hon. Mr. Nilson:** — Basically the service in a particular region would have a historical base that has been there. If they were going to change that historical base of service which was in their overall budget that they submitted to Saskatchewan Health, then that would be something that they would have to ask for increased funding for or that there be some adjustment. But it's based on year-over-year actual expenditures and then budgets, and the negotiation happens between the regional health authority and the ambulance service. That information then is in turn provided by the regional health authority to Saskatchewan Health.

Just before I sit down, I also would like to have the Page bring you the retailer tool kit for tobacco sales to prevent tobacco sales to minors, prepared by Saskatchewan Health and Health Canada together with the Saskatchewan tobacco retailer advisory committee. These are the partners in prevention of the use of tobacco. This is what I had promised last week.

**Mr. McMorris:** — I'd like to thank the minister for that. I was thinking I hadn't received it yet, but I didn't realize you'd be presenting it publicly like this. So I do thank you for that. I did mention that if my political career ended, I may be needing this but I don't see that ending any time soon. In fact, I see some

good things blowing in the wind for the future.

I would like to thank the minister and his officials for the time spent tonight. Thank you very much.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Nilson:** — I'd like to thank the members opposite for the great variety of questions. It's kept all of us on our toes. I'd especially like to thank the staff who are here with me tonight representing all of the staff at Saskatchewan Health and the regional health authorities across the province.

[22:00]

**The Chair:** — I would invite the minister to move that the committee rise, report progress, and ask for leave to sit again.

**Hon. Mr. Nilson:** — I move that we rise, report progress, and ask for leave to sit again.

**The Chair:** — The minister has moved that the committee rise, report progress, and ask for leave to sit again. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — That is carried.

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

**Mr. Iwanchuk:** — Thank you, Mr. Speaker. I am instructed by the committee to report progress and ask for leave to sit again.

**The Deputy Speaker:** — When shall the committee sit again? I recognize the Whip.

**Mr. Yates:** — Next sitting, Mr. Speaker.

**The Deputy Speaker:** — I recognize the Government Whip.

**Mr. Yates:** — Thank you, Mr. Speaker. I move this House do now adjourn.

**The Deputy Speaker:** — It has been moved by the member from Regina Dewdney that this House do now adjourn. Is it the pleasure of the Assembly to adopt the motion?

**Some Hon. Members:** — Agreed.

**The Deputy Speaker:** — That is carried. This House stands adjourned until 1:30 p.m. tomorrow.

[The Assembly adjourned at 22:02.]





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