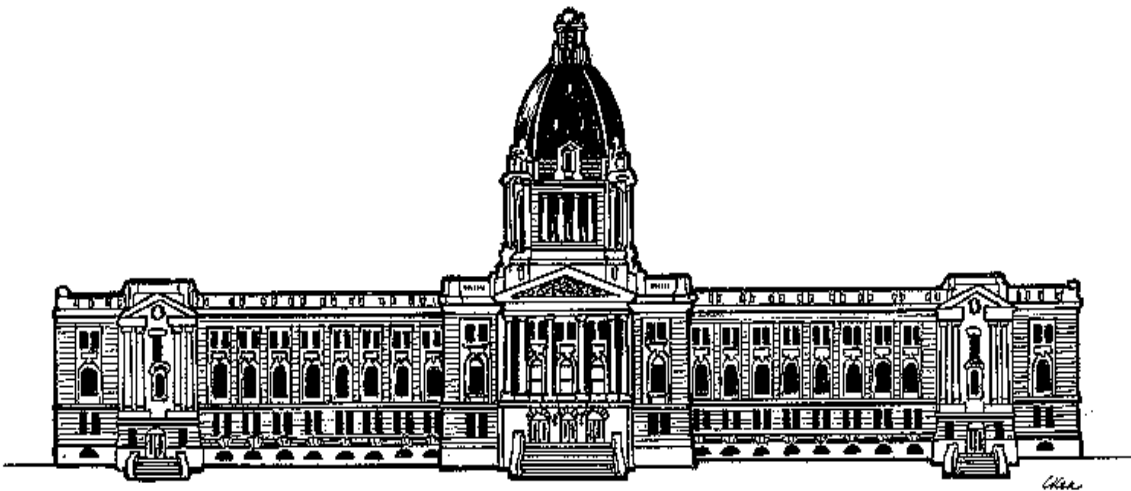




STANDING COMMITTEE ON THE ECONOMY

Hansard Verbatim Report

No. 15 – April 13, 2005



Legislative Assembly of Saskatchewan

Twenty-fifth Legislature

**STANDING COMMITTEE ON THE ECONOMY
2005**

Mr. Eldon Lautermilch, Chair
Prince Albert Northcote

Mr. Randy Weekes, Deputy Chair
Biggar

Ms. Brenda Bakken
Weyburn-Big Muddy

Ms. Doreen Hamilton
Regina Wascana Plains

Hon. Deb Higgins
Moose Jaw Wakamow

Mr. Delbert Kirsch
Batoche

Mr. Kevin Yates
Regina Dewdney

[The committee met at 15:00.]

The Chair: — Good afternoon everyone. We're back again this afternoon to continue estimates on the Committee on the Economy. The item of business before us is the Department of Labour. But before I call the first item of business, I would ask the minister to introduce her officials.

**General Revenue Fund
Labour
Vote 20**

Subvote (LA01)

Hon. Ms. Higgins: — Thank you very much, Mr. Chair. I'd like to introduce kind of a reduced number of officials because I'm informed that today we're going to deal mostly with WCB [Workers' Compensation Board]. But we do have a couple of members of our staff from the Department of Labour also. To my left is Bill Craik, the deputy minister of Labour. And seated behind Bill is Jim Nicol, who is assistant deputy minister of Labour. And to my right is Peter Federko, the chief executive officer of the Workers' Compensation Board.

Mr. Chair, I'd also like to make a few comments and give a little bit of an outline of the department. Saskatchewan Labour's vision is a prosperous Saskatchewan that benefits from healthy workplaces and the equality of women. The mandate of the department is to ensure safe, fair, and productive workplaces here in Saskatchewan. And the department carries out this mandate through prevention, education, and training services; promoting and developing and enforcing occupational health and safety and labour standards; providing support to injured workers; and assisting in preventing and resolving workplace disputes. The department also works in partnership with all other provincial departments and Crown corporations towards the goal of equality for Saskatchewan women.

And I'd like today just to highlight a few of the programs and initiatives that the department will be working on this year. I'd like to begin by talking a bit about the state of labour relations in our province. In 2004 there were only nine work stoppages in this province, involving less than 2 per cent of the active bargaining units and less than 1 per cent of our employed labour force. And the 2004 numbers are not an isolated occurrence. Compared to the other Western provinces, Saskatchewan's 10-year average for days lost is the lowest.

Numbers like these do not happen by accident. Our employers and workers benefit from an environment that encourages a co-operative approach to resolving workplace disputes. That environment is in part the result of the work of the department's labour relations and mediation division. The division contributes to the economic and social well-being of the province by assisting unions and employers in dealing with difficult labour disputes and with work stoppages. The division's professional staff provides a wide array of services, from training to conciliation, to help minimize the disruptions that can result from workplace conflicts. As of March 14, the division staff are working with unionized workers and management in 43 workplaces to achieve solutions to a wide variety of issues.

The labour standards branch provides services to the Saskatchewan employers and employees, in support of fair and equitable workplace practices. Labour standards' aim is not only to enforce the legislation but also to ensure employees and employers are aware of their rights and responsibilities under these laws. This year we are anticipating that the labour standards branch will investigate 2,500 formal complaints and collect and pay out \$1 million owed to employees. As well, the toll-free inquiry line call centre will provide labour standards information to between 50,000 and 70,000 workers, employers, and human resource practitioners.

And the branch will develop an information guide on labour standards tailored to the unique requirements of the retail sector which often provides first work experiences for new and young workers. The guide will be modelled on a very successful package developed last year that was put together in partnership with the Canadian Restaurant and Foodservices Association.

Also in the last two years, 30,000 Saskatchewan workers suffered an injury serious enough to require time away from work. That's 1 in 20 workers being injured, and that is too many. In fact Saskatchewan's time-loss injury rate in 2002 was one of the worst in Canada. That's why in 2003 the department and the Workers' Compensation Board set an initial target of 20,000 ... or 20 per cent, sorry, 20 per cent reduction in time-loss injuries by 2007.

Today I'm very pleased to tell you that based on preliminary WCB data, Saskatchewan's workplace time-loss injury rate is down by about 10 per cent from 2002. We still have a way to go, but we are making progress, and if we can keep it up, we will meet our target.

The occupational health and safety division works to improve workplace health and safety through five interrelated and complementary strategies embodied in the Action Plan for Healthy and Safe Workplaces. These include increasing employer and worker involvement in reducing workplace hazards; enforcing standards through workplace inspections and the use of other enforcement tools; providing workplaces with technical support to identify and reduce hazards in such areas as air quality, radiation, and ergonomics; providing youth and future workers with health and safety orientation before reaching the workplace; and increasing public awareness that health and safety must be part of our workplace culture.

And you are no doubt aware that the provincial Occupational Health and Safety Council has been conducting a review of our occupational health and safety legislation and regulations. The council is now preparing its report, and I expect to receive that by mid-year. I will obviously consider any recommendations, any council recommendations very carefully before any changes are proposed.

We have, however, decided to take action immediately on the issue of safe needles in the health care sector. Saskatchewan will be enacting regulations this year mandating a rigorous infection control plan and the use of safety engineered sharps, particularly needles.

Since last September, Saskatchewan Labour and the Workers'

Compensation Board have been funding a prosecutor dedicated to occupational health and safety and WCB issues. We expect good things to result from this project. Individual cases will be dealt with more expeditiously. The time between contravention of the legislation and the laying of charges will be shortened. Ultimately of course we expect to see provincial injury rates come down. This last year the number of prosecution cases totalled 25 compared to an average of 7 to 10 cases in previous years.

In addition, the division will help improve compliance with occupational health and safety standards by conducting 4,500 workplace inspections and will provide training to 4,000 occupational health committee members this year.

Also the Office of the Worker's Advocate provides assistance to and representation for any worker or a dependant of a worker who has suffered an industrial accident or disease and who is involved in a dispute with the Workers' Compensation Board concerning a compensation claim. The Office of the Worker's Advocate will maintain the length of time injured workers must wait for service of an advocate, at least 9 weeks or less this year, down from a high of 25 months in 2003.

Also just to touch on a couple of other units within the Department of Labour, we have the work and family unit that provides practical assistance to Saskatchewan employers, employees, and community organizations to deal with issues of stress and fatigue that arise out of the lack of balance between work and family. The unit has developed a set of innovative tools known as the family-friendly workplace portfolio which will be used this year to assist 12 workplaces in Saskatchewan to enhance the family responsiveness of the policies, practices, and culture within their work environment.

Also we are responsible for the Status of Women. And the Status of Women office works in partnership with all government departments, Crown corporations, and the community to realize the goal of equality for Saskatchewan women. In October '03 we issued our Action Plan for Saskatchewan Women, and this document outlined the government's plans for dealing with issues that impact women in this province. And just last month we released our first progress report on the action plan, and it outlined what's been achieved in the past year. It's an impressive list, and it demonstrates our commitment to women's equality.

I'm personally pleased to be able to tell you that Saskatchewan will be hosting the 2005 federal-provincial territorial meeting of ministers responsible for the Status of Women in September. In addition the Status of Women office will continue to provide training and support for government officials in gender-based analysis in applying a gender lens to legislation, policy and program development, provide cross-government policy coordination on women's issues and support for pay equity, and also support the intergovernmental committee of advisers on women's policy from throughout government and the Crown corporations, and maintain links with women's organizations and groups that serve women right across the province.

Mr. Chair, this is just a few of the issues and programs and initiatives that are taking place within the Department of Labour this year, and we're looking forward to answering questions

that the committee may have. Thank you very much.

The Chair: — Thank you very much, Madam Minister. The first item of business then before the House is item no. (LA01), Department of Labour, and that's found on page 102 of your Estimates book. The Chair recognizes Mr. Krawetz.

Mr. Krawetz: — Thank you very much, Mr. Chair. Mr. Chair, as I indicated to you, I want to spend the next, I guess, about 45 minutes primarily dealing with WCB. And I want to thank the minister for bringing her officials from that department.

As I indicated to the minister, this is a new responsibility for me, Mr. Chair, as far as serving as the Labour critic. And there are many, many different topics as the minister indicated in her remarks . . . and by the way I want to thank the minister for those remarks. I know we'll be dealing with many of those other sectors that she described that are part of the Minister of Labour's responsibility. And I'll have that opportunity to review the words — her words — in *Hansard* to see some of the, some of the, I believe some of the answers to many of my questions.

So as I've indicated, I want to use this time to, I think, educate myself first of all to be able to do a better job in opposition because as the minister would appreciate, many phone calls come to my office, either here in the legislature or back in my constituency office, that deal primarily with Workers' Compensation Board and the activities of the board. Whether they are connected to rates that are charged to employers or whether they're questions around claims or whether they're questions around appeals, there's just a huge amount of concern that comes directly to my office. So I want to be able to clarify some of the policies, some of the procedures, some of the guidelines that are within Workers' Compensation Board. And I know that Mr. Federko is here from Workers' Compensation Board, and I'm sure he'll be able to answer a number of those things.

I guess, Madam Minister, I'll start off with a really simple question in that I have a number of the annual reports of Workers' Compensation Board, the last one being the 2003 report. And I'm wondering when might we expect the next report, which of course will be the annual report of WCB for 2004.

Hon. Ms. Higgins: — As the member may be aware, it would have normally been tabled by the end of last month. We are late this year because at the end of 2004 there was discussion on changing of some accounting principles.

By the time the debate was done and the decision was made between the WCB, between the auditors of WCB and the Provincial Auditor, we will be a couple of weeks late in tabling the report. And it should be done within the next couple of weeks.

Mr. Krawetz: — Thank you, Madam Minister. I've just been informed that this is committee, and I don't have to stand up as well so that will make it much more comfortable.

Madam Minister, thank you for that. And when that report is tabled, I'm sure there will be specifics of that report that we'll

get into on another session.

I had the opportunity to review the 2003 report since becoming critic, and I noted the entire report. And then I had an opportunity to look back in public accounts which of course is where the full financial summary statements are included.

And, Madam Minister, my first question dealing with the summary financial statements and the Workers' Compensation Board over the last couple of years has shown, for the public accounts years of 2002-2003 and '03-04 both of those public accounts show that the Workers' Compensation Board operated each of those years in a deficit position. And I know that. I recall, Madam Minister, that you responded to questions to the then opposition critic.

And I'm wondering if you might review or if your officials might be able to assist in determining what was the reason or what were the reasons for those two deficit years. And in light of the fact that your new report is around the corner, what might we expect to see? Will we see a continued deficit position as we have had in the last two years, or will things be changing?

Hon. Ms. Higgins: — Thank you very much for the question. If you are going to get into more detailed financial questions, I will turn the microphone over to Mr. Federko.

Mr. Federko: — As you've correctly identified, since beginning in the year 2000, our financial performance was significantly poorer than it had been in previous years. In the year ending December 31, 2001, we recorded a deficit of approximately \$53 million; in the year ending 2002, a deficit of around \$93 million; and in just the year ending December 31, 2003, a deficit of approximately \$8 million.

Substantially the financial performance is the result of three things. The first being the crash of the investment markets in the year 2000 led to significantly reduced investment income in the year 2001. If the member has the year at a glance from the 2003 report, which is on page 2, you'll notice on the third line from the bottom of the year at a glance our investment revenue declined from about \$106 million — this is the WCB annual report — a decline from about \$106 million down to \$72 million in 2001 and again down to \$46 million in 2002.

Again totally the result of just the collapse of the world markets combined with the effects of September 11 in the US [United States] significantly reduced our investment returns. That, combined with increasing claims costs that were primarily driven by an increase in the injury rate, really accounts for the poor performance that we realized over that three-year period.

As the minister commented in her opening remarks, our injury rate in 2000 was 4.95 per cent. We were second highest in the country in terms of injury rate in 2002. And that injury rate, growing from 4.30 in 1999 to that 4.95, added approximately 21 million additional dollars to our operations without anything else happening.

So really the growth in the injury rate, the increasing number of time-loss injuries that we saw as a proportion of payroll reported to us which led to increased claim costs, at the same time a decrease in the investment income contributed to those

returns that we saw or those deficits that we recorded in those three years ending December 31, 2003.

In terms of 2004, again as the minister commented, our injury rate has decreased over the last two years by about 10 . . . about 13 per cent actually which will lead to improved performance. Investment markets have stabilized although accounting principles have affected what we'll report for 2004. And we'll get into that later, I would assume, after it's been tabled. The results for 2004 will be an improvement over 2003.

Mr. Krawetz: — Thank you, Mr. Federko. Mr. Federko, I was looking at the Public Accounts document as well, and the reason for my question is that of course now that the government has moved to summary financial budgeting, the overall financial picture of all of the government business enterprises — as they are referred to in the Public Accounts — includes Workers' Compensation Board, whether or not it be a positive number or whether or not it be a negative number.

And over the last number of years, as you've pointed out, it's been a negative number that has of course meant that less revenue was able to be put into the entire financial picture of government. So I'm glad to see that there is improvement, especially on the side of revenue. And I know full well that the changes, the financial changes, the economic picture in the entire world created, you know, major, major problems for not only provinces but, you know, states and countries alike.

But, Madam Minister, when you made the comment . . . I believe at the federation meeting that you made the announcement about your five-point plan for healthy and safe workplaces and you talked about 20 per cent reduction of time-loss injuries over the next four years, I think are your direct words from your speech.

I'm wondering, from looking at page 2, Mr. Federko, if when I look at the number of claims reported over the last five years, as you have in your chart there, the number of claims reported of course are between 36,000 and 30 . . . just about 39,000. In fact they were 39,000 in 2002. Is that 20 per cent anticipated reduction? Is that in the number of claims that will be reported or that the number of claims that will actually be accepted? Which goal are you anticipating?

Hon. Ms. Higgins: — We're targeting at 20 per cent reduction in the injury rate.

Mr. Krawetz: — Okay, thank you, Madam Minister, and Mr. Chair. Then if I look at the injury rate, then that must mean it would be the number of lost time claims that are actually accepted. And I look then at your numbers there, and those range from 13,000 in '99 to a high of 15,100 in 2002. So fairly significant numbers.

Now if we're talking about reducing 15,000 actual claims that have been accepted by 20 per cent, that would be about 3,000 claims; 3,000 off of 15 would put you at about 12,000 claims. Realistically, is that achievable?

Hon. Ms. Higgins: — Yes, we believe it is, and it's being done in a variety of ways. There was the Action Plan for Healthy and Safe Workplaces that was released just over two years ago

when we first began to target this. And with the Department of Labour and WCB working together, there's been not only the action plan but you will notice — I hope you've noticed — the WorkSafe Saskatchewan ads and information that has been out, whether it's on TV advertisements, whether it's on billboards, and there is also a concerted effort to get information out there.

One of the things, Saskatchewan is a large geographical area, and there are many organizations that have safety initiatives within them. WorkSafe works to pull all of that information together and provide a good, solid base that's available to employers and employees around the province — safety programs, safety initiatives, information that's out there. There's no point in reinventing the wheel. We're trying to get the information to everyone that needs it and make sure that people are aware that safety is an issue.

And health and safety in the workplace has a large effect on the bottom line — more productive workplaces, more productive workers. There is some estimates, and it was . . . The safety council of Saskatchewan, in conjunction with some other groups, did a report and estimates that illness and injury on the workplace costs the Saskatchewan economy almost \$1 billion a year. So it's huge numbers.

We have had some good results over the past couple years just getting started, and we feel that we are definitely on the right track. And we need to continue with the efforts that have begun over the last couple of years and have continued to grow.

Mr. Krawetz: — Thank you, Madam Minister. Madam Minister, I don't take any exception to working towards a safer workplace and an advertising program. And I know that you have indicated that there will be an increase in the number of inspections that go on.

I want to indicate to you what the concern is of some people who have had difficulty with a claim. Their feelings are that you will attain your 10 per cent figure or your 20 per cent figure by ensuring that the claim is dealt with in a much more stringent fashion, that it is dealt with by . . . you know, a situation where a claim may be rejected that may have been accepted two years ago. Now I have no fact to indicate that that is true. And that is the concern that I'm hearing from injured workers who are saying a goal of reducing the number of paid claims is great, but if it is at the expense of a legitimately injured worker, and then suddenly a claim isn't paid, then there is a problem. And workers are identifying that.

Now as I said, I'm not sure whether . . . I don't have any information from previous years to be able to indicate whether the concerns are higher or lower than before. But there seems to be a number of people who are concerned or want to bring it to your attention through me, that it is become more difficult to have appeals actually dealt with and accepted. And their hope is that that isn't what the goal was of Workers' Compensation Board.

Hon. Ms. Higgins: — Well that is something that is expressed and has been expressed to all of us. But when you look at . . . and we're referring to the 2003 annual report, on page 14. There is . . . [inaudible interjection] . . . Pardon me? Oh sorry, this is the stakeholder report from 2003. There is a graph in there and

a set of numbers, and it is the unaccepted claims by percentage. And in 1999 there was 11 per cent of the claims were unaccepted, and that has continued to drop, and at 2003 it was 8.5 per cent that were unaccepted.

So that is a perception that is . . . or a concern. I shouldn't say a perception; I think that's too strong of a word. But there is concern in some areas that this may be the case. But it's something that we will work to overcome, and that is not the way that we want the injury rates and the numbers to drop and to reach the target of the 20 per cent. We truly want Saskatchewan workplaces to be safer. Injuries are preventable. And we all need to adopt the culture that safety is just part of everything we do. And whether it's at work, whether it's at home, right across Saskatchewan it's something that we just have to build into to become part of the culture of everything we do.

Mr. Krawetz: — Thank you, Madam Minister. Madam Minister, as I looked at the numbers in the 2003 report of the actual claims that were submitted versus the claims that were accepted over the last five years, the numbers are around 38 per cent — a little bit higher or lower.

So when I look at a 38 per cent acceptance rate across the last five years, to attain a 20 per cent reduction of that, when I'm looking at the total number of claims, you're going to have to have . . . I mean, I don't see a change in 38 per cent because if 38 per cent of claims that have been submitted over the last five years have been accepted, I don't think that a safer workplaces are going to necessarily change the number of 38 per cent that is the accepted rate because that has been the common practice.

Your goal is to obviously reduce the total number of claims that are submitted. And then of that total number of claims, those that are accepted should also drop by 20 per cent; that's your goal. And as I've indicated to you, that would translate into 3,000 less claims that will be accepted.

Now if you're talking about a 38 per cent acceptance rate over the course of the last five years, do you foresee that the number of claims that are going to be submitted are going to be far more, are going to be accepted to be able to show that that drop is there?

Hon. Ms. Higgins: — Well I would try and explain here that you can't go by the total number of claims filed. That's why the difference between the time-loss claims or claims filed.

There also is a category that is no-loss-time claims that are filed, and what these will be . . . if you're in a workplace and if you slip and fall and maybe hit your arm or hurt your back or were maybe hit with a piece of equipment that didn't cause an immediate injury or something where you had to go to the hospital immediately, you would file a no-loss-time accident report so that there would be a record on file with your employer and with WCB so that if something happened after the fact, where something flared up that was in relationship to this no-loss-time injury, there would be a basis to file a claim and to start a claim.

So when you're looking at the total number, you are including loss-time claims and also no-loss-time claims that were

reported. So that's why the difference in the number.

Mr. Krawetz: — Thank you, Madam Minister. Madam Minister, when you talk about the total number of claims whether there's time lost or not, a concern in the last year, and I believe it's probably escalated when we see the kind of behaviour of students with attacking and bullying and harassment that went on and of course now the number of suicides that have taken place, and I'm wondering does the WCB track the number of claims that are submitted from workplaces for bullying and harassment? Where there is actually either time lost or not, does WCB track bullying and harassment claims?

Hon. Ms. Higgins: — There isn't a category for each of the issues that you touched on. And bullying, as you commented, is something that is just now coming more into the forefront. All of those issues would be covered in a category that would capture all of those issues, just referred to as a psychological category, where the claims would be. And now while we could go through and do a breakdown, currently they all are just kept within the one category.

Mr. Krawetz: — Thank you, Madam Minister. Madam Minister, when a claim is to be submitted — if I could get Mr. Federko to explain — what are the correct procedures for submitting a claim by an injured worker? What steps must the worker follow?

Mr. Federko: — The Workers' Compensation Board provides report of injury forms at the workplaces, also in physicians' offices. And the first step, although it's not a formal process in terms of reporting the claim to the Workers' Compensation Board, but the first step that we recommend is to notify the supervisor that an injury has in fact occurred.

The first formal step to report an injury to the Workers' Compensation Board is to complete a form that's called the worker's report of injury, a W1. And on that form, they simply state sort of the typical tombstone information — name, address — and then the specifics of how, in their own words, the injury in fact occurred, the date that it occurred, to whom it was reported, on what day it was reported, so on and so forth, if they saw a physician, the name of the physician that they saw.

So from the worker's perspective, that is the requirement that they have in order to notify us that an injury has in fact occurred.

Mr. Krawetz: — Okay thank you, Mr. Federko. Now the discussion that's going on between, you know, injured workers and employers, is the return to work. Who determines the return to work, if indeed you've indicated that that form has been filled, and the worker has probably sought medical attention, and a general practitioner says, I suggest that, you know, you be off work for five days. Who determines whether or not that person is able to return to work at the end of five days?

Mr. Federko: — The case manager actually makes the decision relative to when the worker would be ready to return to work.

Mr. Krawetz: — Can you explain to me what is meant by case manager?

Mr. Federko: — Our claims area of our organization we call our operations area. And in 2000, we implemented a new organizational structure that was founded on the basis of what we call team-based case management. So teams have actually been set up that cover the province geographically. We have more of a presence in Saskatoon that covers the northern half of the province, and we have three teams in Regina that cover the southern half of the province.

Each of those teams have people called case managers on them who are the individuals responsible for managing the claim from date of report until date of return to work or determination of permanent disability. So they're in the . . . Previous to the reorganization, you may have heard them referred to as client service representatives. We now call those people case managers, who again are part of a team that also includes . . . They are not the ones who make the decision in terms of acceptability of the claim — those are our adjudicators or our claims entitlement specialists — but they're the ones that take over the management of the claim after it has in fact been accepted.

Mr. Krawetz: — Thank you, Mr. Federko. Mr. Federko, I received a call from an injured worker who was asking what course of action the person could take regarding the conduct of the case manager. They felt that there was less-than-professional professional behaviour. What steps does that injured worker have as a recourse to feel that they are not being professionally treated?

Mr. Federko: — Of course they can lodge a complaint. They can express — and the first thing we suggest they do — is express a concern to the case manager him or herself, but to report the issue as well to the supervisor, to the team leader that's responsible for the case managers within that geographic area would be the first step. If the injured worker did not feel that it had been adequately addressed or had been brushed off by the team leader, then they could precede up the chain, I guess, to the director, and ultimately vice-president and myself, if necessary.

Two years ago, we also established something called the fair practices office. And the fair practices office was established to ensure fairness of process and procedure within the WCB. So if having exhausted sort of all means that the injured worker believes are at his or her disposal to feel that they've been fairly heard, they could contact the fair practices office which is separate and apart from our operation. It reports directly to our board and is accountable to our board.

And they will hear those kinds of concerns, whether it's the manner in which they feel they've been treated by the case manager or anybody else or whether it's the fairness of the process or they don't understand the process. They don't understand the decision. The fair practices office will help them through all of those kinds of things and hopefully make them feel at least that the fairness component has been maintained throughout the processes.

Mr. Krawetz: — Thank you. Mr. Federko, what has happened since I have become the Labour critic, I'm surprised at the mail-ins and the telephone calls from claimants that are years and years . . . in fact decades old. And I'm not . . . And what I'd

like to hear from you today, if you could, review for me the appeals procedure that would be followed by a claimant, each step that is necessary until the final step of the exhausted process.

Could you identify all of the steps that a claimant would have at their . . . you know, available to them to appeal a decision of a case manager or beyond that?

Mr. Federko: — Certainly. The first step always is to speak to the case manager and express concern with the decision that had been taken and ensure to present all the evidence that they believe would support a decision contrary to what the case manager had taken. And again they could follow the informal sort of dispute resolution process of proceeding up to the team leader and discussing it with the team leader and director to see if an alternate decision could be made at that point, without entering the formal appeal process itself. So they always have, you know, as much opportunity as they like to even speak to myself, if they so wish, before they actually file a formal appeal.

The legislation doesn't actually apply an appeal process to the board, but we have established one through policy. So the first formal level of appeal is what we refer to as our appeals committee. It is a group of senior adjudicators who again report directly to me independent of the operations, who review the decision taken to determine the accuracy of that decision within the existing legislation and policy. If the worker is not satisfied with the decision taken at the appeal committee level, they can then appeal to the board level which is the three board members themselves who again will review the decision and render a decision whether they agree with the appeal committee decision or not.

If after the board . . . the board is the final level of adjudication. However if after the board has rendered its decision there remains an outstanding medical question and if the worker can receive a certificate signed by either a physician or a chiropractor indicating that there is an underlying medical question, the worker can apply for a medical review board which again would review the medical question under issue and render a decision. Its decision is binding on both the injured worker and the board.

I suppose, finally, if the worker felt that the board had either exceeded its jurisdiction or had erred in applying the law, the worker could apply to the courts to have the decision reviewed at the courts as well.

Mr. Krawetz: — Thank you for that. I appreciate that very much. Mr. Federko, when someone decides to appeal to the appeals committee, can they do that by a formal written request? Is there a special form? And if it's a matter of a formal letter to the appeals committee, how soon will the appeals committee hear that concern? Is there a specific time?

Mr. Federko: — The appeal must be lodged formally in writing. We don't have a specific form, but the worker simply needs to write the appeal committee directly and ask that they review the decision, being quite specific on what it is that they are questioning and asking the appeal committee to review. The appeal committee operates on basically a first-in, first-out basis,

so they just take the appeals as they come.

As of December 31 . . . The volume of appeals has been increasing over the years. We'll have received over 1,100 appeals for the last several number of years. And as a result of the increasing volumes, we've had a backlog of appeals build up at the appeal committee level. As of December 31, workers were probably looking at about five months from date of receipt of the appeal request before a decision was rendered. We've made significant progress over the last several months, and that backlog is dropping significantly. And as our 2004 results are released, we'll be able to elaborate a little bit more on that.

Currently I believe workers are looking at approximately . . . I believe our acknowledgement letter that goes out indicating that we've received the appeal indicates about a three-month turnaround, so about 90 days to receive a decision from the appeal committee.

Mr. Krawetz: — Thank you, Mr. Federko. And let's follow up then with the next level of appeal which you indicated would be the actual board of three members. What is your current experience regarding the time from a claimant not being satisfied with the appeals committee decision and now wishing to appeal to the board? What will be the wait time involved?

Mr. Federko: — We're currently looking at the board level at about 90 days from the date the board receives the request to have the decision reviewed until they render their decision.

Mr. Krawetz: — Thank you, Mr. Federko. Mr. Federko, you mentioned the sort of final appeal would be the court. And I had an opportunity to discuss some of the information that my constituency assistant received when he attended the WCB institute in Saskatoon, which he found very, very useful in helping him to provide the first response to callers.

And one of the bits of information that he garnered from there was that the Yukon WCB appeals committee has used the courts for a court decision, that the appeals committee has actually asked the court for a decision. Has this happened in Saskatchewan with WCB appeals committee or the board asking for a court decision? And if this hasn't happened, is it something that would be useful in ensuring that some of those 30-year-old cases be dealt with in a final fashion?

Mr. Federko: — To my knowledge the board has never gone to the courts to ask the courts for a decision with respect to a particular claim, and I'm not certain that the legislation itself would permit them to do that. The legislation provides that the board itself has exclusive jurisdiction to determine all matters under the Act.

Even though the board may have rendered a decision on a particular claim, I think it's important to understand that no appeal, I guess, is really ever final. We've had workers who have re-appealed their decisions to the board several times on the basis of perhaps new information that has become available or something else that perhaps has occurred to the worker that they don't believe the board considered it its initial decision.

So I'm not certain that the board would need to resort to the courts to resolve some of the longstanding disputes. If the

worker believes that there continue to be issues that the board needs to consider and has not in the past, they can certainly request that the board have a look at the decision again.

Mr. Krawetz: — Thank you, Mr. Federko. Time is slipping by so quickly, and we won't get a chance to deal with a lot of this.

But one of the recent decisions, I believe — and you can correct me if I'm wrong — a decision regarding the situation that involved the workplace as a place of death, even though it may have been suicide, and that there is a concern with workers between the years 1979 and 2003 and the implication . . . And I know that there are some cases that are before you right now, and I don't want to get into any specific names.

But I'm wondering what decision happened in 2003 regarding the legislation and the changes? And, Madam Minister, you might be the one to more accurately answer this. What change was made to legislation in 2003 that now creates two different scenarios? And if Mr. Federko wants to answer that question . . .

Hon. Ms. Higgins: — Well being you've asked back a little farther, I will let Mr. Federko answer this one.

Mr. Federko: — I may not have the years exactly accurate; some of this does predate my time at the board as well. But my understanding is prior to 1979, there were provisions within the Act that said if an individual's found dead at work and they had a reason to be where they were and were in the course of their employment, that they were considered to have died as a result of their work, unless the contrary could be found.

I understand that in 1979 with amendments to the Act, for whatever reasons, the words "to the contrary" were removed from the legislation and reintroduced with the amendments in 2003. So the amendment in 2003 restored the Act to the way it was prior to 1979, in terms of having what we call a rebuttable presumption now within section 30 of the Act — which gives us the opportunity to determine in fact what the cause of death was and determine whether it's work related or not.

The court case I believe that you're referring to — may have been in 1999, but I may be wrong on the date — was where an individual took a decision to the courts with respect to a death that occurred at the workplace, and the courts in fact ruled that, applying section 30 of the Act, that the board had responsibility for that particular fatality.

So in my understanding, that's the course of history with respect to the workplace deaths that you referenced.

Mr. Krawetz: — Thank you, Mr. Federko. I've been trying to review what was the former section 30 and trying to get an understanding, but it seems that now cases that occurred between 1979 and 2003, there are some . . . there may be some degree of responsibility on WCB's part. And I know that that's what's being appealed right now and, you know, that will be dealt with, I understand, in the next short while because the appeals are going to be heard very quickly . . . [inaudible interjection] . . . Is that a fire alarm, Mr. Chair?

So you know, I think what needs to occur is that if there is a

decision that affects workers in a sort of a time frame that was dealt with from 1979 and 2003, we understand or I understand from workers' advocates, that there may be more liability for the WCB if in fact that is ruled in a court of law or if that's ruled by the appeals committee or the board that indeed there was responsibility for WCB for making the substantive claim in the year that that person passed away, if that occurred between 1979 and 2003.

So I would hope that we as members of the Legislative Assembly would be able to receive some information from your department regarding what is happening in that area, and if I could ask the minister to ensure that that would occur if indeed there is a new direction for previous claimants.

Hon. Ms. Higgins: — That won't be a problem.

Mr. Krawetz: — Thank you, Madam Minister. Madam Minister, one of the other areas that . . . and it's just a very recent case, and again, you know, to ensure privacy, I won't mention the actual case. I'm having difficulty understanding the guidelines. And I'm referring to the overpayment recovery guidelines that you have — 6.20 of the procedural manual that says, you know, a certain number of things need to occur when there is a recovery of overpayment of benefits.

And I want to alert you, Mr. Federko, to a case that probably you have already before you where an injured person has received an overpayment of \$28,000 into a bank account. Now the situation is this, the person is receiving monthly payments on direct deposit, and then suddenly an overpayment of \$28,000 appears in the bank account. The bank in question, where the person does their financial work there, that bank automatically removed, I believe it was \$3,000, because that was what was owing to the bank. So immediately the transfer of \$28,000 into a bank account now suddenly becomes 25. There is a request, an immediate request — and I'm going to deal with this in a fashion later on with you personally — that suggests the person was quite rude in terms of demanding the money and threatening that there would be legal action immediately to that person's, you know, I guess consternation that this was going to happen.

Then when I read the guidelines which are pretty clear into what's supposed to happen and none of the information that was contained in the letter that was sent to this individual matches the guidelines in the recovery of overpaid benefits. So I'm wondering how can this get so far out of whack. And I guess a \$28,000 overpayment also poses some questions in my mind as to how that can happen, and then of course through no fault of the individual the bank suddenly takes away \$3,000, and then the person is threatened with a number of situations, that that's how WCB is going to deal with her — I'm sorry, with the individual — and get the money back.

And I'm wondering if there is a deviation from this recovery procedure that a WCB caseworker can follow.

Mr. Federko: — I'm vaguely familiar with the specific issue that you raise, but not familiar with the circumstances around it. I would say, however, that in the majority we ought to be following the guidelines as established in our policy and procedure.

Without knowing the specific circumstances around it, it's difficult for me to say whether the action that was taken to recover was in fact — and I'm not speaking about the rudeness that you're alleging — however whether the procedures themselves were appropriate in the circumstances or not. In any given circumstance, I suppose it's possible for the case manager or claims entitlement specialist to have good reasons to perhaps deviate slightly from the procedure and policy. However I look forward to hearing from you with respect to the specifics on this so that I can look into it in greater detail.

Mr. Krawetz: — Thank you, Mr. Federko. It's a very recent case. The letter written by Workers' Compensation Board to the individual is dated April 5, 2005, so it's very recent, and it talks about the fact that WCB wants the money back immediately which of course makes no problem for the 25,000. But if the bank has taken the other 3, that causes the individual . . . especially when the individual is receiving compensation from WCB already, so that will be of concern.

My final question — and I know it's at 4 o'clock already — is around workers' compensation rates that are set for the different businesses and classifications. Two questions. How are rates set? And secondly, if a particular business feels that they are not placed in the right category, what procedures do they have or appeal mechanisms do they have to be able to ask to be moved to a different category?

Mr. Federko: — Firstly rates are established on the basis of claims' costs. We use historical spending patterns as a predictor of what future spending patterns would be, looking at experience within the specific industry or rate code for which the rate would apply. And the rate established is strictly to recover the anticipated future costs of future claims in the coming year.

So in 2004 we established the 2005 premium rate which is intended to pay all of the costs associated with 2005 injuries. So it's strictly based on costs — claims costs and administrative costs, the total costs of running the board — as predicted for the coming year based on historical spending patterns.

Second question, if an employer's not pleased with their current classification, again we have the same appeal processes that they can follow. They can go to the appeals committee. They can also go to the board itself.

We have one other process, however, which is called the assessment committee. And it's a group of people that work on our employer accounts area that will simply look at the classification again for propriety without having to move an employer actually within the formal appeal process itself. If enough of an issue is raised with the assessment committee, we will actually undertake a review of the entire classification of the industry just to ensure that employers are in fact properly classified.

Mr. Krawetz: — Thank you. I'm glad to hear that because obviously an employer may change the kind of work that is done at its place of business and removes a far greater risk by adjusting what they're doing. And that needs to be dealt with, and I'm glad to hear that you're talking about an assessment procedure that's done.

Mr. Chair, I know we have a number of other departments that are coming before this committee.

Madam Minister, what I would like to indicate to you — that is, at our next opportunity, whenever that may be — I would like to have the ability to talk about contracts that have been settled in the province of Saskatchewan. I know that we have had numerous contracts that have been settled already, and I'd like to be able to hear from you about those contracts and about contracts that we understand are coming due in 2005. We don't know who those different groups are, and we'd like to spend some time talking about those contracts.

Hon. Ms. Higgins: — Just a bit of clarification here. Part of the reason I laid out the comments I did at the beginning . . . and I know you're new to a critic of Labour and I'd like to congratulate you on your promotion. The Department of Labour — other than being involved if there is a dispute or a problem, whether there is a need for a mediation or conciliation — the Department of Labour plays more of a regulatory role within the workforce and the workplace than we do on the bargaining side.

The Department of Labour does not sit at the bargaining tables. That would be done through the Public Service Commission or with the individual departments, whomever. If it was health care, it would be the bargaining team from SAHO [Saskatchewan Association of Health Organizations]. That's the way it's done. Although we are the Department of Labour, we don't sit and aren't active at the bargaining tables unless there is an issue or a dispute or a problem that arises. So those may be questions that are better targeted at the individual departments.

But I would like to thank the members opposite for the — and the committee members — for being more specific in the areas that they wish to question. We sometimes travel with a large number of people that have many other things that they could be attending to, so it is nice to have the opportunity to target. And I would thank the member for his request for someone from WCB, and Mr. Federko is quite able to answer the questions that he had. So thank you very much for focusing the afternoon.

The Chair: — Thank you very much, members of the committee. That concludes today's episode as it relates to the Department of Labour estimates, and I'm sure we'll be back as the member has indicated. So thank you, thank you all.

The next item before the committee is the Department of Environment estimates, so the committee will recess for a few minutes to allow the minister and the officials to take their place. Thank you.

**General Revenue Fund
Environment
Vote 26**

Subvote (ER01)

The Chair: — Ladies and gentlemen of the committee, we are ready to reconvene and the item of business before the House . . . or before the committee are the estimates for the Department of Environment, and they are found on page 49 of

your Estimates book. Before I recognize the critic, if I could ask you, Mr. Minister, to reintroduce your officials.

Hon. Mr. Forbes: — Well thank you very much, Mr. Chair. And it's a pleasure to be back here again to entertain questions on our department. First I'd like to introduce our deputy minister, Lily Stonehouse; Dave Phillips, assistant deputy minister, resource and environmental stewardship; and Bob Ruggles, assistant deputy minister, planning and risk analysis. Behind me is Michele Arscott, the manager of financial management and finance administration; Laurel Welsh, manager, budget and fiscal planning, finance administration. Steve Roberts is here today, executive director of fire management and forest protection compliance, fire and forests, back over there. From the watershed, we have Dale Hjertaas, executive director, policy and communications, and Bill Duncan, director of infrastructure and management. And with that, I'd be open to questions and going from there.

The Chair: — Thank you very much. The item then is (ER01). Mr. Weekes.

Mr. Weekes: — Thank you, Mr. Chair. Welcome to the minister and your officials. I would like to take this opportunity to ask the minister and your officials a few questions concerning the cavern production in the Grandora-Vanscoy area. There's a few questions that we'd like some answers to concerning the rate of discharge and those types of things. And the first question is, what is the rate of discharge through the south discontinuity in the Tyner Valley aquifer?

Hon. Mr. Forbes: — Thank you for that question. I'll be asking Dale Hjertaas to give you a specific answer to that. With the member . . . That's a very specific question. You wanted to know the rate of discharge for that — that's going into the caverns.

Mr. Weekes: — Well through the south discontinuity in the Tyner Valley aquifer.

Hon. Mr. Forbes: — Okay.

Mr. Hjertaas: — I believe I understand the question — the movement along the Tyner Valley aquifer — and you're asking what the normal rate of discharge through that south discontinuity would be going into the next stage?

Mr. Weekes: — That's right.

Mr. Hjertaas: — I cannot give you that answer at this moment. We can undertake to provide a more detailed answer, follow-up. But sorry, I don't . . .

Hon. Mr. Forbes: — Yes. We could get that answer for you as soon as we can.

Mr. Weekes: — Okay. I have a few other technical questions. I'll answer them . . . if you can answer them today, I appreciate it. If not, I look forward to the answer in the future. The second one is at what rate is the water from the Tessier aquifer draining into the Tyner Valley aquifer?

Mr. Hjertaas: — As you know, the normal flow is from the

Tyner into the Tessier. The Sask Research Council report identified that due to the pumping from the Tyner Valley, that flow has been reversed. I didn't bring the Sask Research Council report with me, and I won't take the chance of making an error in remembering that number off the top of my head. So we'll have to provide that detailed information as well, subsequently.

Mr. Weekes: — I appreciate that. I look forward to that answer. Now you said that because of the pumping, the flow has reversed from what it would normally have been. Thank you.

Next question is, at what level would the Tyner Valley aquifer have to be recharged to before the Tessier aquifer remained stable and stopped draining into the Tyner Valley aquifer?

Hon. Mr. Forbes: — Once again, these are pretty technical questions. And we have done two reports on this project, and we have no problem . . . It's actually a public document on these details, but we'd be very happy to give you details like that. But I'll see if Dale has more specific information right now, but otherwise we'd have to get that for you.

Mr. Hjertaas: — It's a very . . . again technically . . . Not having brought the reports with me, I won't try to give a specific level. Also I'll say that because there's a number of monitoring wells in the aquifer and each one has different level, it's a somewhat difficult question to give one answer for because there's probably a different answer for each point you choose to monitor at.

Hon. Mr. Forbes: — Mr. Chair, if I could, I would say that when we released the SRC [Saskatchewan Research Council] report, we did give the members of the Grandora citizens committee a technical briefing and went through the report. And we'd be very happy to do the same as well. If the member would like a more technical overview of the complete report, we'd be very happy to do that.

Mr. Weekes: — Thank you. I've just got a couple more, and they're probably still technical questions so I'll ask them to you anyway.

Your comment about the technical briefing, I'd appreciate that. The concern is the committee that you gave the technical briefing to were not satisfied with the questions . . . with the answers to these questions, and so they've asked me to bring forward these questions again. So that's where this line of questioning is going. They weren't satisfied with the answers.

But the other question I'd like to have put on the record is: will the Tyner Valley aquifer discharge fast enough so that the Tessier aquifer will not drain below the top of the aquifer? And that obviously is related to the permit that was given by the SaskWater authority and with conditions. And that, I understand, would be one of the conditions?

Hon. Mr. Forbes: — Mr. Chair, what I'd do then is take notice of that question, and at the technical briefing we'll address that question. I would say that there were some questions that the citizens did ask that we weren't able to provide a complete answer to because the research or the parameters of Mr. Harm Maathuis' work didn't go as far as the answers that they were

looking for. But we'll do our best to give the answers that you're looking for, and we'll go from there.

Mr. Weekes: — Thank you. For the record again, I'll ask the last question. What checks are in place to make sure that this does not happen, and at what level is the pumping going to be stopped to ensure that this does not happen?

Hon. Mr. Forbes: — I might have a bit of an answer to that, but I will also take that as a notice of question and will get a complete answer. And actually, I appreciate you asking the questions now so that we know what you'd be looking for.

Mr. Hjertaas: — I was just going to add that the revised, the amended licence to TransGas, the question about whether the Tessier valley aquifer would be drawn down below the top of the aquifer. One of the amended conditions — with the new knowledge that the Tessier valley aquifer in fact did have this previously unknown connection to the Tyner Valley aquifer — was a condition not only that it not be drawn down below the top of the aquifer, but a margin of safety, which I think was 5 metres. But we will verify that as well because I occasionally remembered a number wrongly, and I don't have it in front of me.

But there is a condition that would require TransGas to change their operating regime to ensure they don't draw down above that margin of safety, to ensure that the Tessier valley aquifer is not drawn down below the top of the aquifer.

Mr. Weekes: — Thank you. I appreciate that, and I look forward to the technical briefing. Just to say it again, I mean, the concerns of the people, the residents in that area, is that their wells are going dry or have dropped to unacceptable levels. And even if there is water in some of the wells that's in question, the quality is very poor. So this is where their questions are coming from, and this is why they're wanting answers to these questions. And their concern about these technical questions relates to their personal water supply. So I thank you for that, and we'll look forward to the briefing.

The Chair: — Ms. Eagles.

Ms. Eagles: — Thank you, Mr. Chair, and thank you to the minister and your officials. And the questions I'm going to ask, I apologize that perhaps I should have contacted your office regarding these, Mr. Minister, but I've just been contacted about them myself earlier this afternoon.

And it's about the area of Roche Percee, which I'm sure you're familiar with. It's a historical area down by Estevan, and Roche Percee, of course, means pierced rock. And apparently this land is owned by the Department of Environment, and there's many tour buses that stop in this area.

And in fact just last week there were several young people there who came from different parts of the world. And when they were asked about their visit and why they chose . . . how they got to Roche Percee, one person indicated that when they came to Canada, they were offered eight. They could choose up to eight places that they would like to visit. And one of those places was Roche Percee.

Now I'm wondering, because this land is owned by the Department of Environment, do you have any policy in preserving these areas?

Hon. Mr. Forbes: — Thank you for the question. And we do . . . our department looks after special places; I'll be asking our assistant deputy minister here to answer that in a minute. That's exciting to hear — people, though, coming from around the world and picking a place like that to visit. Very, very important.

Quite often though . . . I'd just say that the land is maybe, perhaps not owned by Environment, but managed by Environment for the Crown. But now I'll ask Dave to answer that.

Mr. Phillips: — Yes, the Roche Percee site is one of a number of former recreation sites that over the past number of years have been . . . They remain as protected lands under the provincial parks Act. In the case of Roche Percee, at one time there had been some facilities at the site; those have since been removed. There was an approach to the neighbouring municipality asking if they would be interested in assuming management of it. In the end, I think it was about three or four years ago, the facilities were removed.

But your question, is the land protected? The answer is yes, under The Parks Act and regulations.

Ms. Eagles: — So now there are several young people going out there to these rocks, and some are drinking and liquor bottles are being smashed. Some are also hiding in the rocks and shooting paintball guns at the very young kids from the village. And the RCMP [Royal Canadian Mounted Police] have been contacted, but of course the Estevan detachment is, you know, a distance away, so by the time they get there it's too late.

One of their main concerns — or I shouldn't say the main concern — one of the concerns is the unsightly mess, but the major concern is the serious injuries that can result from the broken glass around and also injury inflicted by these paintball guns.

The residents have tried their best to look after this area in keeping it presentable. But frankly, I guess they're just getting a little fed up with it. And I guess my first question regarding that is if someone is injured out there, who is liable?

Mr. Phillips: — Liability on the land, if there were . . . My best answer is that if there were improvements that were installed by the government that attracted people to use a site in a particular way — a boardwalk or a washroom, for example — were there injury in using those human-built facilities, that would be a natural liability that would fall to the government, to the parks as the operator of those facilities.

Natural hazards, you know, a tree that might fall or falling off of a natural feature, we would not accept that liability.

If I could respond to the other question about damage from the paintballs and, you know, the frustration of the community, this is the first that we've been made aware of this concern. We do

have compliance staff in Estevan and we'll commit to direct them to follow up with the local community. It may be a matter of signage or it could also be working with the specific individuals involved to make them aware of, you know, the long-term damage that might result from that kind of activity.

Ms. Eagles: — Okay. So if someone, you know, had a serious cut or something because of falling on this broken glass there, they'd have no recourse then. There would be no one that was held liable for that. Is that what you're saying?

Mr. Phillips: — I don't know the legal answer to that specific question. The matter though of litter and, you know, poor presentable, not presentable sites if there is a public access provided, part of what we need to do is to help clean that up.

Ms. Eagles: — And I apologize. I admit that this is the first that you've heard of it, because I just learned of it myself. But if you could get in touch with your staff in the Estevan area and make them aware of this situation, I would certainly appreciate it. And I know the residents of Roche Percee would be as well. So I thank you very much for those answers.

Hon. Mr. Forbes: — If I could add one thing too and I really appreciate you raising these concerns too, because . . . But we've had some good relations, I think, in terms of with some of the other parks and engaging young people in looking after or feeling more positive about parks. I know the work that we're doing around Moose Mountain Park this year's been very encouraging. And I know that there's something happening out at Lumsden about kids feeling much more positive about their natural landscapes. So this is a . . . We should turn this around to being an opportunity because it's a pretty special place.

Ms. Eagles: — Yes. And you know unfortunately in a situation like this it isn't, it isn't the village kids that are doing it; it's kids that come in from different areas. And you know it's unfortunate, but that is the way it is. But I do thank you very much. Thank you.

The Chair: — Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Minister, last session of estimates of your department we covered a few areas in a general fashion. And I think I would like to pick up on an area that perhaps we . . . I believe I talked to you and your staff about this. But I think what we need to do is to get some things on the public record as far as the dealing or handling of pollution by fuel storage and sales facilities.

I thank you and your staff for the information that you provided me. I guess — and I understand that from some of the information that I was given — that there was some money put into a fund that was administered by SUMA [Saskatchewan Urban Municipalities Association] to look after orphaned and abandoned sites, and I understand that there's a small amount of money left in that fund.

My question is, has your department . . . What is your department's policy with regards to existing ongoing sites, service stations, and that sort of . . . and fuel storage sites that are currently, you know, in business and actively being used, but where perhaps . . . or where it has been identified that there

has been some leakage over a period of time from these sites? What is the department's policy with regards to those type of sites?

Hon. Mr. Forbes: — Well I'll ask Mr. Phillips to respond more fully. But I would just say this, this is a very important area that we take very seriously because of the potential for contamination to the groundwater, that type of thing. And while we're going back in history to deal with some of the orphan sites that, as we move forward into the future, that building codes, that type of thing, and regulations are very important, that we don't have this situation again where we have orphan sites causing these kinds of problems. But, Mr. Phillips, if you can give a few highlights that would be good.

Mr. Phillips: — Under the pertinent legislation, The Environmental Management and Protection Act, the responsibility falls to the polluter. The language that's used is, polluter pays. So it depends who is the source of the contamination. So typically the owner of a . . . owner/operator of an active fuel distribution site, be it a gas station or whatever, would be responsible. If there were previous activities that predate their ownership of the property, and those could be tracked and determined to be the responsibility of someone else, there may be implications that way.

For orphan sites where property has fallen back to the municipality for tax arrears, that sort of thing, there has been work done with the Canadian Petroleum Products Institute and the co-op refinery with SUMA with provincial government money and some contributions from the municipalities and those industries to operate a fund under the Centenary Fund for the last three years to assist with cleanup. And I believe there's been approximately 130 sites, including all of the high . . . assessed to be high risk and moderate risk sites. So the remainder are judged to be less risky, typically because they're in a soil type that's not permeable and the pollution isn't migrating but . . .

Mr. Hart: — Thank you for that information. I realize, and frankly I haven't got a problem with the concept of the polluter pays, and I agree, Minister, that it's, you know, it's vitally important that we identify those problem areas and deal with them.

However I think we have situations in the province, particularly in smaller communities where facilities have changed hands within the last 5, 10, or even 15 years. But I would suspect that the pollution occurred prior to that or at least a portion of the pollution occurred prior to that. And the question that owners of those facilities are raising is, why do they . . . are they forced to accept the responsibility and the entire cost of cleaning up that site? And I guess that is one question.

The other question that stems from that is that in some cases some of these owners have no alternative but to walk away from their property because the cost of cleaning them up is beyond their means and they become abandoned sites, and then become the responsibility of the municipality. I'm wondering if . . . I guess what I would propose is that perhaps a program be looked at to assist some of these individuals so that we don't have them walking away. And I'm not saying that the assistance should be 100 per cent of the cost — I don't think that would be

fair and I haven't, in fact, had any of these individuals, you know, put that suggestion forward.

But what they are saying is that sure, I may have owned this piece of property and conducted my business for the last 10 years and perhaps . . . You know, I have tried not to pollute, but perhaps there was a leak in my underground tanks.

And I know of, I'm dealing with a case in my constituency where some of the pollution has taken place, you know, prior to the present owner owning the property. And I'm wondering, is your department looking at any type of a program or perhaps a change? Well maybe not so much a change in the policy, but I think looking at some program to prevent the abandonment of these sites?

Because, it's not helping anyone if the sites are abandoned and they become ultimately the responsibility of a small village or town who they, themselves, don't have the resources to deal with it. So are you looking at these situations and, if so, what type of remedy would you be proposing?

Hon. Mr. Forbes: — Well, I would say this to the member — the idea is very intriguing and that always we are always thinking about how to best approach the issues around protecting our environment, especially when we're dealing with toxic substances and that type of thing. And we don't want to have a situation where compliance is not happening.

Our goal is to make sure we have full compliance, however that needs to happen. And so it is, you know, a combination of education, incentives. Then at the end of the day comes, you know, the more strict regulations, that type of thing. Because at the end of day, we want to make sure that others aren't bearing the costs. So this would be an interesting idea.

And of course, we have to think too in terms of priorities too, which substances are the greater at risk for soil and therefore groundwater, that type of thing. And as we go through and set our goals with, of course, you know, available resources and that type of thing, I'm not sure if . . . I'll ask the officials if there's anything more, but we're always looking at this.

And we're particularly interested in this as we go through developing our green strategy and our solid waste consultations — all of those things — because they have huge impacts. And what are the real goals out there in communities?

Mr. Phillips: — Typically the large petroleum companies do clean up their own sites. The issue mainly affects independents, smaller operators. We've been working with them for 10 years now, and we're continuing to provide advice on prevention methodologies and management of those sites.

Mr. Hart: — Thank you. What I would urge you, Minister, and your officials, is to at least explore the area so that we could, I suppose, minimize the number of instances where owners just simply walk away from their responsibilities. I think, you know, that's certainly not the result that anyone would like to see and if, perhaps through a small contribution from your department, we could alleviate some of these situations.

Saskatchewan is the number two producer of petroleum

products, or at least resources of crude oil and natural gas, and perhaps we need to reinvest a small, very small percentage of the revenues that this province has earned in the past towards cleaning up our environment. And I would just ask that you would look at that.

Hon. Mr. Forbes: — I would add just a clarification because I know in my own riding, actually sometimes the issue is that they don't walk away. They could hold on to a property — especially if they feel it's cheaper to hold the property and not sell it — and can actually hurt the development of a business community when there's a vacant lot, but we know it's there.

And actually I should clarify too that if they do walk away, they still bear responsibilities for that site and we can trace them down and make them pay in the end. So it's not an ability to just ignore their responsibilities.

Mr. Hart: — I guess what I would like to state is that in some instances — I know in some of the small communities in my constituency — some of the owners of these gas stations, their business has declined to the point where, really, there isn't a lot there, you know, and that's why they are in the situation they are in. There isn't an active buyer looking for the property. They just want to phase out their business and move on and, you know, if there was . . . particularly with the environmental liability, certainly there aren't any active buyers that would look at buying the property. And so therefore sometimes these people walk away from it because they have no other choice. And really they don't have any resources that could be used to help clean up the spills and the leaked petroleum products.

So I mean, and I don't know how many of those cases there are, but I think there are a number of them. I know in my own hometown there's a site which was a service station and it's just been abandoned because of the liabilities attached to it, and I'm not sure exactly what's happening with that piece of property. That's not the one that has been . . . Those people haven't been the ones that have been calling me and asking me to bring this issue forward.

So if we can, you know as I suggested, perhaps . . . Maybe we need to look at if there are some possibilities of preventing some of these situations that we don't want to see. And I would just ask that you would do that.

What I'd like to do is, maybe we'll shift gears and move on to another area. I read with interest a recent news release — well I guess not that recent, it was March 31 — where there was . . . your department provided \$700,000 to the regional waste management authorities to address their needs.

And in the news release there's a comment made, the next step will be to look at a multi-material recycling program that you want to have up and running by a year from now. I wonder if you could comment on what your department's plans are in this area, how you envision this process in the next year unfolding, and those sorts of things.

Hon. Mr. Forbes: — Well I'm really quite excited about the work that we're going to be doing in this area. And of course there has been an awful lot of work done around solid waste management in recycling and all of that, both with different

groups that have been involved — SARCAN — but also the different regional waste management authorities. And I know it's a very popular question I get asked at SARM [Saskatchewan Association of Rural Municipalities] and SUMA because there's so many elements to this issue. And it's one that we hear over and over again that people are asking; it's one that involves so many people.

And so our plan is, shortly, in the next while, to engage in some consultations on this process, how we can best coordinate the solid waste management efforts here in Saskatchewan.

And your reference to the multi-material situation, I would say that one of the things we're finding most . . . And it was interesting when we met with these folks in the fall, they talked a lot about the concerns around recycling the paper and packaging and cardboard and that type of thing. And of course it's a . . . most of the different items that are salvaged are . . . you know, the ups and downs in the market, transportation costs, all of that. And so how do we deal with that in Saskatchewan because of the distances involved and the quantity that we can recycle? And, you know, and we have to be competitive.

And so they found themselves in a situation where we have invested an awful lot of money here in Saskatchewan to support these folks through capital so that they could provide their citizens with proper recycling and waste management. So we felt that we didn't want to lose what we've already built, and that was very, very important. So we helped them with their operating deficits for last year.

But we do see that there's a real opportunity right now, that we can seize the moment and coordinate our efforts, and whatever role that we can play provincially to help this along will be very, very important. Because while waste management is largely a municipal responsibility, there are responsibilities that we have at the provincial level in terms of the Act that . . . around land or waste . . . landfills, that type of thing. And also, you know, coordinating.

And so people seem to be very, very interested. And so the group there made a strong pitch for that. So I'm going to put someone on the spot. I don't know if . . .

Ms. Stonehouse: — No, I think you've answered it.

Hon. Mr. Forbes: — Yes. So we're really excited. We think this is one of our key goals for this year to get this going, because we hear loud and clear people want recycling and coordinated work around solid waste management.

Mr. Hart: — So I heard you say in your news release, you mentioned there'll be a process of formal consultation. Could you just describe, you know, who you'll be consulting with. Perhaps have you got some timelines as far as the consultation process? Would you care to comment in that area?

Hon. Mr. Forbes: — I'll ask Dave; I'll ask Mr. Phillips in a minute.

Mr. Hart: — Sure.

Hon. Mr. Forbes: — But I think that their key stakeholders of course would be SUMA and SARM, and of course the association of waste regional management group, and then concerned individuals. And of course SARCAN would be there, and as well . . . Well different groups like that. And so it's just very, very important that we get this out.

But we have done an awful lot of work. People have done an awful lot of work in the past five to ten years, and so we're ready to move quite quickly on this. But we do want to make sure we're coordinated. Dave, do you have a sense of the dates or timelines?

Mr. Phillips: — Yes. Actually consultation began in 2004. There's a forum-to-forum committee of interested stakeholders. Sask Environment provided a small amount of financial assistance in the past year to that forum-to-forum, as well as Natural Resources Canada.

The next step in the process is what's called a data call, and it's an inventory by survey of all landfill operators and commercial brokers on what their estimated volumes and types of waste are. And that's critical raw material for designing what might be an appropriate system for . . . It establishes the volumes and the potential available costs and revenues associated with those waste streams. That's to happen in the next week or so.

Mr. Hart: — Okay, great. I know the Association of Regional Waste Management folks are promoting or talking about a stewardship program, particularly with regards to paper fibre. Is that part of the plan that you have launched?

Hon. Mr. Forbes: — I would say, and you can elaborate a bit more, but I would say that at this point it would be premature to say exactly what it looks like, but we have been talking about industry stewardship. But what does that mean? We can identify that clearly with oil and with tires and that type of thing. But this is a much broader range.

But the whole stewardship piece is something that we're looking at clearly, would be an important part. But I think this will be . . . I'm excited about it; we're excited about it because I think we're taking a big leap forward in how we coordinate this and how we can encourage more groups, more of the RMs [rural municipality], more people to see that this is a very good program to be part of. So I don't know if they have more . . .

Mr. Phillips: — No. I'd just offer, it's one possible model. But we need to work through with the municipalities, with those that are actually handling the waste, what's the best design here. So it's certainly an option.

Mr. Hart: — So these options will be discussed as part of the consultative portion of this initiative then?

Hon. Mr. Forbes: — Yes.

Mr. Hart: — Okay. I know from speaking to individuals or organizations involved in the recycling initiatives and effort in this province that part of their problem is — a large part of their problem, I believe — is, you know, the collapse of some of the commodity prices of recyclables. And, you know, without addressing that, it seems like no matter what type of a program

we put into place, you know, the sheer lack of dollars, you know, whether they be generated from the sale of paper fibre or tins or plastics — or failing that, if the prices collapsed — then there needs to be another source of revenue.

What is the department looking at as far as addressing that conundrum?

Hon. Mr. Forbes: — Again this would be one of those things that would come up. And it is a tough one, particularly in paper because it goes up and down. And it's the ability . . . I know when we visited folks in Humboldt, they talked about if you can hold on to paper and cardboard for a long time, then you might be able to achieve some very good results. That's a tough one.

So some are suggesting, should we have a floor price for that? Are there innovative ways to use that material here within the province so that we're not at the mercy of external prices? So there's a lot of opportunities here to look at this very creatively, and so that's what we're going to be putting our minds to.

Mr. Hart: — Minister, I would imagine that you and your staff are maybe looking at what's happening in some of the other regions of Canada, particularly the more populated areas. I'm thinking of the Lower Mainland of British Columbia and the Toronto area, and even Calgary and Edmonton.

Could you give me a sense of how those areas are dealing with the whole issue of waste management and recycling? Because if it's an issue of low commodity prices, I'm sure they're being, would be impacted by the low, you know, price for paper recycling and plastics and that sort of thing. So what's happening in other jurisdictions in this area?

Hon. Mr. Forbes: — The observation that I would make — and it's one that we need to keep in mind when we take a look at these other places — the two that I'm a little bit more familiar with is the . . . I've done some reading about the situation in Edmonton where they've spent a lot of money on a facility that is, I believe, in the hundreds of millions of dollars. And we just could not afford the kind of thing that they've done there. And I'm not sure whether we would want to go down that road.

As well, I was on a radio program about a year ago talking about e-waste and the recycling of computers in Calgary versus how we plan to do that. And theirs is much more mechanized, and ours is much more labour intensive.

And I think the overall observation I would make is in Saskatchewan a large part of our work around recycling particularly has been the work with SARCAN and using a model where we've created a lot of employment throughout the province — in many, many towns and cities throughout the province — that may not be done in other provinces. In fact, I think we're unique in that situation. And we hear that over and over again, about how important that is.

And so this is what we're really looking for, is how do we approach this in a way that keeps work here, that is innovative, but resolves that issue around environment. So that's a goal that we can't — I think and I'm convinced — we can't let go of because there's opportunities here for people in this province.

And I know that when we talk to people throughout the province, they're thrilled about the things that are happening in their communities. They just want to know how they can make it grow.

Mr. Hart: — I'm glad you mentioned SARCAN. And last time, I indicated that I had some correspondence from, not necessarily SARCAN, but the Saskatchewan Association of Rehabilitation Centres, which are involved in the operation of the SARCAN depots, who were concerned about the funding that we talked about, the \$43,000. And I guess, Minister, you will know that we raised that issue today during question period and so on.

But I guess, are you being made aware of any SARCAN operations that may be in financial difficulty this year and may have to discontinue or at least reduce the area of activity and the size of their operation because of the funding issue that they have identified?

Hon. Mr. Forbes: — The answer is no, we haven't been. But we're talking very much with them. We keep in close contact with them. The issue that was raised earlier today really relates an awful lot to the department, ministry of Community Resources and Employment. And when they visit with us, they're very clear about the two issues, SARCAN and SARC [Saskatchewan Association of Rehabilitation Centres].

But we're very aware of the issues that they raise and, of course, the funding that we provide to them to do the work around recycling. And our 10-year contract with them talks about how we top up their funding and so that's an important issue. But now, I'll ask Mr. Phillips to answer.

Mr. Phillips: — We are not aware of any operations in financial jeopardy in the current year. And under our business arrangement with them, they're required, obligated to let us know ahead of time if there's . . .

Mr. Hart: — That's good news then because, you know, I believe they provide a very needed and valuable service in our communities and so, even though there may be some concerns about funding to some of the groups, it sounds as if the recycling activities will continue in an uninterrupted fashion. I know it's getting late in the day; some of the words are getting more difficult to pronounce.

I guess as far as the recycling, I know, Minister, you mentioned some of the things like, you know, recycling of electronic appliances, computers, and so on. In fact, I noted with interest in an article in the April 4 issue of *The StarPhoenix* where one of the Saskatoon city councillors has asked the administration to look at, do a feasibility study to, I guess, look at the cost and the possibilities of that city running a recycling program for such things as empty ink cartridges and obsolete cellphones and those sorts of things.

So this whole recycling issue is, I think, something that is . . . And waste management is an issue that is, I believe, growing in the minds of the citizens of this province, and it is an issue that, you know, we need to deal with in an effective and efficient manner.

And so I would be very interested in observing the process you've launched, and would urge that it would, you know . . . And I'm glad to see that you would intend to have some results of this process in a fairly short time frame, and I would hope that we have, end up with a program that will enhance our waste management and recycling efforts in this province. And I'm sure we will discuss this in the future.

There's one other issue that I would like to raise very briefly before our time is up for today. And that's the area, the issue of the Great Sand Hills, and the Great Sand Hills study that is . . . there's \$900,000 in this year's funding for the Great Sand Hills regional environmental study.

I believe there was . . . This is an ongoing process, I believe. There was — now correct me if I'm wrong; I'm kind of new to this area and it's not in my constituency — but there was a study released, a document released last June that . . . Now I guess my question is, this proposed study, is this a further ongoing, and it's taking it one step further, or what exactly is happening with this study that you're proposing to allocate \$900,000 towards?

Hon. Mr. Forbes: — The report that you speak of from last June was a committee report. It was more of a project. Its mandate was to consult with the people in the area and with the people of Saskatchewan in terms of the future role of Saskatchewan because at the time . . . A few years ago, you know, there was a planning commission that was set up for RMs that had set out a planning process for the area. And that had run into some issues, and so there was a committee set to determine a possible outcome.

One of the recommendations that there be further study done — an ecological study of the area. So this is much more of a scientific study, even though the area they'll be talking about, the . . . Well it's an ecological study in the holistic sense of that because they'll be sociological issues dealt with that, cultural aspects of that.

And we're delighted to have it overseen by Dr. Reed Noss of the University of Central Florida, internationally renowned scientist in the area of ecology. But what we're really delighted about is that the vast majority of the money will stay within the academic institutions here in Saskatchewan — the U of S [University of Saskatchewan], the U of R [University of Regina] — to develop our capacity in this area.

And so the set-up, there is a five-member scientific advisory council and four of which are people who are Saskatchewan citizens. But it's led by Dr. Reed Noss, led primarily out of the Canadian Plains Research Center from the University of Regina. And so this will be a two-year study, and we're looking forward to the results.

Mr. Hart: — Who are the other . . . Or, I guess, first of all, the terms of reference. You talked, and I take from your comments that part of the terms of reference of the study is to do an ecological study. Are there other aspects? Economics. Is that a component of the study? Could you briefly describe the terms of reference of this study?

Hon. Mr. Forbes: — I'll get Mr. Ruggles to give you more

detail of it. But essentially it's going to be establishing benchmarks, different scenarios, and some recommendations of where we go forward with it. And so this will be good stuff. Mr. Ruggles.

Mr. Ruggles: — There are three major components to the study. There's the ecological component and then a socio-economic component and also a more focused area of study in the socio-cultural and historical components. Given the special nature of the Sand Hills, all three of those components need to be evaluated as we look at long-term future development.

Mr. Hart: — Who are the other members on this five-member panel?

Mr. Ruggles: — The minister has already mentioned Dr. Reed Noss from Florida. Dr. Dave Gauthier from the Canadian Plains Research Center here at the university is the Chair of the science advisory committee. Dr. Bram Noble, from the University of Saskatchewan; Dr. Paul James from the department; and Dr . . .

Hon. Mr. Forbes: — Polo? Harry Polo, I think?

Mr. Ruggles: — Yes, from the University of Regina, who is a specialist in socio-economic interests.

Mr. Hart: — What's the time frame for the study?

Mr. Ruggles: — The study will be done in about a year and a half. We expect to have the study completed in the fall of 2006.

Mr. Hart: — So the study will be providing observations and making recommendations in the three areas that you mentioned.

Mr. Ruggles: — That's right. The intention of the study is to look at what we've learned from the development that's gone on in the Sand Hills up to now, and to use that information in evaluating future development scenarios.

Mr. Hart: — And I would assume that this panel will be looking at the effects of commercial activity in the gas exploration and development in the Great Sand Hills. Will it also look at the current activities of ranching and that sort of thing? It'll cover all those types of commercial activities?

Hon. Mr. Forbes: — All activities of human endeavour in that area. And I would say, actually observe, that it's interesting how the process over the course of the past many years that that area's been studied, how even ranching has improved in terms of its footprint in the Great Sand Hills.

Mr. Hart: — Mr. Chair, you indicated that I have one more question. I think probably I've covered what I wanted to cover for today in the Great Sand Hills, and I don't think that we have enough time to start a new area. So with that I would turn it over to you, Mr. Chair.

The Chair: — Thank you very much, Mr. Hart. My experience watching you as a critic, I'm always amazed when you end your line of questioning because you're a very inquisitive kind of a guy.

Anyway, committee members, I'd like to thank you all for your involvement today. And I would ask the minister to thank his officials and then we will consider this committee adjourned.

Hon. Mr. Forbes: — Yes. Thank you very much, Mr. Chair. And we'll follow up with the commitments made around the technical briefing. And we've enjoyed the questions today, and I want to thank my officials for their answers. Thank you very much.

The Chair: — Mr. Hart.

Mr. Hart: — Mr. Chair, I also would like to thank the officials. And I would like to just say that the next time we have an opportunity to discuss the activities of the Department of Environment, perhaps we'll, I as critic, will get a little more organized and hopefully we'll have a bit more time. It seems that which . . . I certainly enjoyed discussing environmental issues, and perhaps we'll zero in on specific topics and thereby it won't be so necessary to have as many staff people here as we have here today.

And I'd certainly like to thank them all for taking time from I'm sure what is a busy schedule, to be with us here this afternoon.

Hon. Mr. Forbes: — I'd just would echo that we would appreciate that and go from there.

The Chair: — Thank you very much, committee members. This committee stands adjourned.

[The committee adjourned at 17:01.]