



STANDING COMMITTEE ON THE ECONOMY

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STANDING COMMITTEE ON THE ECONOMY

Mr. Lyle Stewart, Chair
Thunder Creek

Mr. Len Taylor, Deputy Chair
The Battlefords

Mr. Rod Gantefer
Melfort

Ms. Nancy Heppner
Martensville

Hon. Darryl Hickie
Prince Albert Carlton

Ms. Sandra Morin
Regina Walsh Acres

Ms. Nadine Wilson
Saskatchewan Rivers

[The committee met at 19:00.]

The Chair: — Welcome everyone to the Standing Committee on the Economy. Seeing as though it is now 7 o'clock, the chosen hour for the committee to begin its meeting, I'll call the meeting to order.

Good evening. I would like to welcome you all to the deliberations to the Standing Committee on the Economy. I see that we have Mr. Gantfoer, Ms. Wilson, Mr. Hickie, Ms. Heppner for the government side. And on the opposition side, Mr. Lingenfelter, Mr. Taylor, and Ms. Morin. Ms. Morin, I think, will be in and out.

**General Revenue Fund
Agriculture
Vote 1**

Subvote (AG01)

The Chair: — We are now here to consider vote 1, Agriculture, central management and services (AG01). Mr. Minister, would you like to introduce your officials and if you wish, make any opening comments.

Hon. Mr. Bjornerud: — Thank you, Mr. Chair. I appreciate that. To my left, Alanna Koch, deputy minister; to my right, Cam Swan who is general manager of crop insurance. And I go behind me now: Rick Burton, ADM [assistant deputy minister], right behind me here; Nithi Govindasamy, on the other side, is associate deputy minister. Shawn Jaques is on the right-hand side with crop insurance, executive manager of crop insurance. Tom Schwartz, directly behind me here, is director of financial programs branch. Dean? Where's Dean? On the far side on the right-hand side there, Dean Cursons, senior manager of financial services. Paul Johnson is right behind Tom there, is director of the livestock branch; and Wally Hoehn, director of lands branch, is in the centre at the back there. And of course Tim Highmoor is my chief of staff on the left-hand side back there.

Mr. Chair, just some opening comments, and then we'll try to answer any questions that are put forward by the members.

The '11-12 budget which we're here to discuss tonight of course and the estimates. With a budget of \$418 million, that's the second highest budget that we've ever had, I guess second only to 2009-10 budget which was \$483 million. But this year's budget is an increase of 32 million from 2010. \$321 million of that 418 are for business risk management programs: AgriStability, AgriInvest, crop insurance. And remembering that all of these numbers that we utilize in this budget are based on federal projections and we will fully fund all those commitments that we have made, that was one of the things we talked about before we formed government. And we've continued to do right through the first into the fourth year here.

On the business risk management programs: 129 million for AgriStability, it was 124 million in 2010; 31 million for AgriInvest this year, and that was 32 million in 2010, so that's down 1 million; 161 million for crop insurance, and that's up from 127 million in 2010. And the 161 million — I think we've

talked about this before — is the highest budget that the province of Saskatchewan has ever had for crop insurance. Coverage on average is \$173 an acre, and that's also a record high. We've never had coverage at that point before, and of course we know that that's due to higher grain prices and that's a very optimistic and good sign to have. But the \$173 on average per acre is an increase of \$42 per acre from the 2010 budget, which was at \$131 an acre on average.

Unseeded acres. Increase to the unseeded acreage benefit, I think we're all aware of, from 50 to \$70, which was something that producers asked from across the province. But especially in the central north part of the province up into the northeast felt that \$50, maybe it was time it was changed. And we responded to that with \$70 per eligible acre.

Revised seeding intensity calculations for unseeded acres, increase to benefits for flooded-out producers and made improvements, other improvements to the crop insurance program. One of the things with revised seeding intensity of course is that we didn't want to penalize producers because they couldn't get the crop in last year, and we counted that as seeded acres so that their coverage this year will be right up there with where it would have been last year.

Some improvements we've made in the crop insurance program: for young farmers we've made it easier to transfer yield and premium discounts from family members, where a son or a daughter or both have decided to go off on their own and take their own averages and build their own averages and that. And we've made that to react quicker because the old way, a lot of the young people were saying it took a long time to build up their own discounts and get their yields in place.

We've enhanced the forage insurance program where you can use individual yields. And this again was something that people that grow forage across the province that were utilizing insurance through crop insurance had asked for, and we responded to that. And that's rather individual yields rather than the area average that they were on before.

We've increased the establishment values for some of the crops like canola and lentils. And we've of course continued the wildlife damage compensation program at 100 per cent, where when we came to power that was at 80.

Extension services. I think we're all aware that there's seven new satellite extension offices in the province at Shaunavon, Estevan, Moosomin, Lloydminster, Meadow Lake, and Assiniboia and Wadena. And that's in addition to the 10 existing offices. If you remember back, we opened Watrous and Kindersley and added an extension office to the Moose Jaw office too a couple of years ago. All these offices, all these locations had offices prior to 2004, except I believe it was the Wadena office that is brand new here.

If we remember back there was a number of offices closed, and we're reopening some of them. And these offices are on a two-year pilot to see what the uptake is. We're not hiring any additional people till we see how they go over out there.

What we're doing is sending our specialists from existing

offices out there, whether . . . Take Estevan for an example. We would take people, probably specialists out of Weyburn or somewhere in that area where we have specialists, and getting them to go in for a day or two into those areas, whatever the uptake is needed and whatever the producers are asking for. And we're going to see how that works. This was something producers had been asking for because they said there was such a distance between offices out there, unless they were online or by phone, they weren't ever actually able to meet who they were talking to. And I think that's something that we've tried to reinstate out there across the province.

Research: \$18.2 million for research in this budget for '11-12. That's an increase of over 30 per cent since we formed government three and a half years ago. And I think we all know the benefits of research, whether it's on the grain side or the livestock side or whatever the situation may be. In agriculture, research has been important in the past and I think even more so going forward into the future, and that really ties in with the extension services and the additional offices out there. There's not much use doing research if you don't get that information out to producers. And I think that tie is very important.

We've increased funding for the SSPCA [Saskatchewan Society for the Prevention of Cruelty to Animals] who do very good work for us. The funding for this year in this year's budget is \$380,000, and that's over 100 per cent increase from when we came into power in 2007-2008.

AgriStability administration is now in the province and being operated here. That was completed near the end of 2010, and we have ongoing process of training people there right now, about 110 in Melville and 30 around the province.

I think we're getting an awfully good response from producers out there, where I think today even we had a call from someone that just wanted to call and said that they'd had the opportunity before to call in when it was being administered out of Winnipeg, where they might wait two, three months before they got any kind of a response. And in the same day, the response was back out. I'm not saying we solve all the problems the same day, but we respond just as quickly as we can. And that seems to be, from where we were before, an awful, a very good improvement from where we were.

Pest control, I'll just touch on some of that, those programs. The gopher control is 250,000 this year. The black fly control program, mostly up near P.A. [Prince Albert] and in that area, 138,000. The wild boar control, we do this through SARM [Saskatchewan Association of Rural Municipalities] of course, \$50,000. The rat control is up \$150,000 to \$750,000, and SARM also administers that program for us.

The farm and ranch water infrastructure program continues. It's been well received right across the province, although this last summer probably not utilized as much because there seemed to be water in everybody's yard. They didn't really have to dig a well or a dugout. But previous to that there was a very good uptake, and I'm sure once mother nature settles out here and we get back to normal years, I think the program will really be utilized again.

Crown land sale program is at the 8 per cent discount this year.

And voluntary livestock traceability rebate, we're putting dollars into there, and the farm business development initiative. So really with that, that pretty well covers a lot of what we're doing in this year's budget. And, Mr. Chair, with that we would be willing to try and answer any questions that the members have for us.

The Chair: — Thank you, Minister. Before we go to questions from committee members, I'd just remind the minister's officials and ask them if they would please identify themselves before they speak the first time for the benefit of our Hansard people who are recording these proceedings. Now questions from members.

Mr. Lingenfelter: — Thank you very much, Mr. Chairman. And thank you to the minister for outlining a number of items that are included in this budget and maybe going back a bit to some of the other changes in budget differences that have occurred over the last few years. And I just want to say before we start, a thank you to the staff as well for all the work that they do and that they represent hundreds of other staff workers throughout the province. And I think in general the farming community appreciates the work that the Department of Agriculture does. And I just want to say, on behalf of our caucus, a big thank you on behalf of farmers.

But I did have a couple of issues that we have been following along with the minister. And I don't think there's anything going to be happening here in this discussion that probably is new, but there are a number of updates that I want to get. One of them is on AgriStability.

Is it the minister's opinion that that program is better understood or working any better than last time we spoke about it? Because if I hear one complaint about farm programs in Saskatchewan, it's AgriStability and the fact that farmers and accountants who deal with this program simply don't understand how it works — why payments come, why they don't come. But is there a way of simplifying that program, eliminating some of the red tape to make it easier?

I've heard many people complain that they don't get proper notification of when their payments are due, or they'll get numerous payments requests in one year and not for the other, then they miss payments and they're excluded. I had a number of people, especially in '09, who actually got letters from AgriStability that they were suspended from the program because they didn't get their payments in. And they make the argument they were never notified. But can the minister just go through that or one of the officials, as to how we're making that a better program for farmers?

Hon. Mr. Bjornerud: — I think that's part of what we had talked about last year and again this year of course when we . . . bringing AgriStability back to Melville. And across, the 30 people around the province, I think are going to deal directly with part of the question that you had there. I think part of the problem was producers didn't understand the complicated forms and that. And I think by having these people around the province where we can even do a one-on-one with producers or they can come into offices and get a better understanding of how the process works, even help them fill out their forms if that's the case. And even if people aren't in the program and are

looking at it, we will certainly explain how that process works and how the program might benefit them.

But I don't think we've given the program time, as we've brought it back to Melville now, I don't think we've got enough time to simplify, you know, get the process simplified for them and have a one-on-one with our people out there. That's happening as we speak, but also it's going to take a while to get through the whole process. There's a lot of farmers out there of course that are in the AgriStability program, and I think it's going to take a while to see those improvements.

I think as I said before, where the improvements already seem to be is just in the response. When somebody has a problem like you highlighted there — whether it's, you know, they miss deadlines or just whether it's something to do with their own file that they need to know something about or where it is and that — I think the response is far quicker. But it doesn't happen overnight, and it's going to take probably the next couple of years to get this up to speed and get it running much better.

And I think we've already made a good step there by bringing it back. We've saved some money by doing that. And I think the efficiency we can do by having it out of Melville and crop insurance — which is a good fit by the way with the crop insurance program and the crop insurance people we already have in place there — I think they've done a very good job of taking what really is a new entity and joining it in with crop insurance. And the efficiencies that have come with that I think are very positive.

But have we solved all the problems? No we haven't. We know that it's going to take a while, probably a year or two to iron some of the kinks out and just get so we can have a time to have a one-on-one with producers and help them understand the program.

Mr. Lingenfelter: — There's little doubt I think that the AgriStability is difficult. I think farmers have a different view of AgriInvest, which I think is pretty straightforward as I understand it. Farmers put in their money; it's matched by the government. I think they can take it out as they see fit when they need the cash. And I want to make it clear that we're not worried about the AgriInvest. I think that part of the program is working effectively, so I don't think we want to see that change. And I think crop insurance as well, even though I'll have questions about that, I think crop insurance in general over its lifetime has continued to improve.

[19:15]

But when it comes to AgriStability I still get . . . if I get calls of complaint, probably 50 per cent from the rural area are about that program. And I find it very difficult, as the critic and a farmer, to be able to add much to the debate because I don't understand it and I can't find anybody who can. When they show me their forms I can't give them any advice because it is hugely complicated. And one of the things that I think would be very helpful, if rather than go to an accountant, there were mechanisms available within the department where farmers could go to their own farm agency and get the kind of assistance as opposed to go to an accountant. Is that something that is in the works where that kind of support mechanism

within the Department of Agriculture would be available to farmers through your extension division?

Hon. Mr. Bjornerud: — Well I think I'm just going to let Cam comment on some of this too in a minute, but I think the accountants especially have been very receptive to what's happening in Melville. I think we've got a really good response out of every one of them I think that deal with farmers and ranchers across the province. And I think they're also looking forward to when we can refine this and, you know, get these improvements out there. And as I said, it can't happen overnight. I think Cam's just got a comment on how some of this can be accessed.

Mr. Swan: — Yes. It's Cam Swan, general manager of Sask Crop Insurance. Just a couple of things to add to the minister's comments. One of the things we created last year is called the online calculator. And basically it's a very simple way, if you will, for people to go on there and at least have an idea around what benefits they may be receiving through AgriStability. And that's one of the, I think, one of the items that we've done that has improved at least a bit on the understanding, on the basic understanding of it.

And some of the things that the minister also spoke about was having 30 staff spread throughout the province, which is one in every one of our locations, 21 locations. And then we have advisers that are out there. And I think they're just starting to get known a little bit and I think they're starting to really improve the basic understanding, if you will. Because a lot of the AgriStability program can appear to be very daunting, but when you get into it, it actually starts to click a little bit once you get some time to talk to people around exactly how does the program work. And it really does take face time to really sort that through.

And I would add, the other part of it is not just the 30 people around the province, but the 110 in Melville. One of the primary qualifications that we looked for was for farm knowledge, so agriculture understanding. And that is absolutely critical in just being able to communicate with the producers. Because you might think you're talking about the same thing, but if you don't know the language it's sometimes you can't get past square one. So that I think is really, really, improved. No, it doesn't happen overnight, but I think it is starting to increase the understanding overall.

Mr. Lingenfelter: — Just on that and I'm wondering . . . I mean I'm glad to hear that there is the online piece. And I guess that would just be at the Department of Agriculture site where you'd be able to find that?

Mr. Swan: — It's at Sask Crop Insurance website. Yes, saskcropinsurance.com.

Mr. Lingenfelter: — The other issue that farmers are telling me is that Farm Credit Corporation and a number of the banking institutions, because they don't understand AgriStability, that it's not something that is, it's not really the right expression, but bankable where they can go to their bank and say, look we're involved here. Whereas with your crop insurance, I mean you can go to your bank or your investment company whether it's Farm Credit, whatever, and show them

that you're involved. In fact many of them have a requirement that you have to be in crop insurance.

But is there a way of educating or explaining to the lending institutions so they have a better understanding of how that works also? Or is that being done?

Mr. Swan: — We have done, we have had several meetings with financial institutions and really accountant groups around understanding of the program. I think the online calculator can also help some of them as well on the understanding. But again I think it takes not just one meeting. It takes ongoing communication, ongoing communication around it. So yes, I think that can be improved, and certainly we're very committed to doing that.

Mr. Lingenfelter: — Yes. I would just encourage that, that bit of communication with the lending institutions. Because I know Farm Credit, it's a great institution for farmers and I think they want to be as helpful as they can. And the staff that I talk to from time to time I think would be very interested in hearing from Crop Insurance or from the department on how they could make the farmer's life easier by understanding AgriStability.

On the issue of crop insurance, Mr. Minister, do we now know how many acres went unseeded because of the flooding? And I know that's difficult because every year there is a number of acres that aren't seeded, because some people doing organic do half and half summerfallow, and some people just like to do some summerfallow from time to time. But have you got an estimate on how much was actually unseeded because of the flooding?

Hon. Mr. Bjornerud: — I think just over 8 million. I can't remember the exact number. I think it was 8.3 or something like that of unseeded, and then when you add in the million-plus of flooded-out acres, that we were under 10 million acres that were actually either unseeded or flooded in the province.

Mr. Lingenfelter: — But when you say about 10 million, it's not far off?

Hon. Mr. Bjornerud: — No, it's just under 10 million acres.

Mr. Lingenfelter: — And has all of the settlements of the unseeded acres, has that all been worked out? And what percentage of that . . . Well let's use the 8.3 because we're really talking about the unseeded, not the flooded. But of the unseeded acres, how much of that would have been covered . . . Would it all have been covered by the program, or only the crop insurance, that was covered by crop insurance?

Hon. Mr. Bjornerud: — The unseeded acres would have been those that had crop insurance contracts, of course, with the formula that works, and then the excess moisture program was right across, whether you had crop insurance or not, so yes.

Mr. Lingenfelter: — Okay. Now the 8.3 or 9.3 million acres that was either flooded or not seeded because of flooding. I think the crop insurance changes that have been made, it looks to me like on most of the forms, if you didn't have a claim last year, your increase was something around 21 per cent or 22 per cent on average, and I guess it depends whether it was lentils or

what you would be claiming. But in the area where the flooding occurred, and some of the farmer families have brought me their invoices for next year, it looks to me like it's much higher than the average of 22 per cent. Why would that be if in fact we didn't apply the flooding to the crop insurance formula? Why would they be getting increases far larger than . . .

Hon. Mr. Bjornerud: — Well I think that, number one, it depends what they're insuring this year, whether it's canola . . . If it was canola, naturally the value of the canola is far higher than it was last year — \$13 a bushel I think we're at roughly right now. So I think a lot of it would depend on the crops they're insuring and the level of coverage that they're taking.

But maybe I'll let Cam, if he wants to elaborate on that somewhat.

Mr. Swan: — Yes, if I can just add a little bit. The short answer is the yields were increasing in those areas more significantly than average. Because the premium rate, the actual premium rate went down this year compared to last year. But what has driven it up is your average yields have increased significantly in some areas, and the prices obviously have increased very significantly. So for those areas that had higher than the average premium increases, they probably had higher than average coverage increases as well.

Mr. Lingenfelter: — But it wouldn't be because they didn't get a crop last year?

Mr. Swan: — Yes, there's a lag of one year in when we calculate our average yields and when we calculate our premium rates, so it's actually 2009 experience that is being brought in.

Mr. Lingenfelter: — Now the complaint that comes especially from the Yorkton area, but even more so from Canora, Foam Lake, and sort of the epicentre of the flooding last year, is that while they took a very bad hit, even with the crop insurance and payment . . . Obviously if you didn't get your crop in, you still have to make your land payment, pay your taxes, keep the weeds down, do chem fallow, whatever, and they ended up not getting a crop. So a lot of those places, the bins are relatively empty and even the crop they did get was largely poor quality, so they don't see the benefit of the higher prices this year. Hopefully we get a good crop and the crop is a good one so they can catch up.

But is there any way that on the almost 10 million acres that was either flooded or didn't get seeded, that the increase in crop insurance for those acres would be delayed? And if we were to do that, how much money would that represent? Would it be 10 million, 12 million, 15 million if you were to forgo the increase on the flooded acres for a year?

Hon. Mr. Bjornerud: — Well I looked back and I've talked to Cam and Shawn at Crop Insurance and looked back in the history of the crop insurance program, and I don't think that's ever probably happened where any government has gone back and made something retroactive. You know, I'll use the Southwest for an example where they went through four years of drought. That would have been an example where maybe you would have adjusted their premiums then accordingly. That

wasn't done of course under the previous government or any other government that I know of.

I think once you start adjusting premiums because there was this situation happened in one part of the province . . . I go back to 2005, 2006, and 2007 where there was flooding up in the Northeast again, same area that's partly under water right now. And I believe the previous NDP [New Democratic Party] government the one year, I think it was 2006, made a \$10 per acre payment but the federal government made a payment in '05, '06, and '07, and of course it wasn't cost shared in '05 and '07.

But to take and change the premium for a certain area and all of a sudden we're all over the place because, you know, I don't even know how Crop Insurance would function on that. And Cam, if you want to respond to that also. But we've talked about it, and it would almost be an impossibility to start picking areas of the province and adjusting premiums because they had a tough year. I think that's why you take crop insurance and get into programs, is to cover those risks when we have a year like we had last year. And I know it's a tough year for producers, but that's why we have coverage. Cam, do you want to respond somewhat to that too?

Mr. Swan: — I'll try to just maybe add a little bit. You know, at the end of the day, the program is an actuarially sound program. So if you forgo losses in calculating premiums, you have to make up for it elsewhere. So really, you know, at the end of the day, there's different risks that are in different parts of the province and that's really the . . . It's a pooling of risks throughout the programs. So I don't think I have a lot more to add than that.

Hon. Mr. Bjornerud: — I think one more thing I would add to that too is we cannot forget that this crop insurance program is federally funded also, cost shared by the producer, the province, and the federal government. And I think the federal government would be the first one to say we're not going to go individually into provinces and start adjusting premiums according to what has happened the year before. I think that's partly why from time to time you see an ad hoc payment such as we had last year with the \$30 an acre. But I think it would almost be impossible for Crop Insurance to respond to individual areas like we saw happen last year with the flooding.

Mr. Lingenfelter: — And I know it's difficult to do the administration side. It's just that the calls I've been getting . . . And I haven't had hundreds of calls by any means, but I've had meetings with farmers who bring me their statements, as I'm sure the minister does, being active in that area. I'm sure people are stopping in. And I mean several of the young farmers . . . The ones that are established you don't worry quite so much about, but young farmers who don't have much grain in the bin and what they do have isn't worth very much, and now they're facing fertilizer costs that are 30 per cent higher than last spring and fuel costs are up by 20 per cent; crop insurance premium is up by 21 per cent.

And it doesn't sound like so much, but if you're seeding 4,000 acres and your crop insurance is going up a couple of bucks an acre, it's an extra \$8,000 in cash that you need upfront. And for some of them it's . . . What I worry about, and what they worry

about is it's sort of the last thing that you have to do: you have to have fuel for your tractor; you have to have seed; you have to have fertilizer. And if you only have a limited amount of cash, I think what people are worried about is you'll actually end up with some farmers who just say, look I don't think I can make that happen.

And now I understand that you can get your crop insurance, and I don't think you have to pay for it till later in the season. But there are a number of them who are struggling to make their payment on crop insurance from last year. And I just wonder, do you have an idea, on the 10 million acres, how many would be in arrears or having any payment left on their crop insurance from 2010? They'll be outstanding, if you know what I mean, Mr. Minister, where they're just struggling to get things going again.

Hon. Mr. Bjornerud: — We'll check for you.

Mr. Swan: — I'll try to answer your question. Unfortunately, I don't have the statistics for the people that were actually impacted — not the 10 million acres. I just have some overall statistics. There are about 1,500 contracts, or producers, that had outstanding balances at the end of March. About 700 of those made arrangements so basically they made arrangements to pay that off. And there's another 770 that paid off the balance. So that really leaves a couple of hundred people, which is actually lower than our averages over the last several years. I don't know, though, how many of those people had too wet acres last year.

[19:30]

Hon. Mr. Bjornerud: — One thing we don't want to lose sight of though either is as grain prices have gone up, and of course the risk goes up and your premiums go up and everything goes along with that, their coverage goes up dramatically from 131 per acre on average to 173. That was one of the things I think from before we formed government, and ongoing through here, is the producers, one of the positive things I think they see from this year's program is their coverage is up dramatically which in turn reflects, you know, or offsets some of the, at least to a degree, some of the higher input costs that they have like fertilizer and fuel and that. But their coverage is higher too. So yes, it costs more to take out crop insurance — and as you said I think they can pay by fall their premiums — but their coverage is a lot higher.

And going into this spring, I think we both know — we all know at this table — that the chance of flooding out there could be quite great in a number of areas. We're already starting to see some of that happen right now. But up in the central part in the Northeast there for sure where there's a lot of snow yet, I think it's one of those things we'll wait and see, you know, what the flooding turns out to be. But I think that possibility is fairly great in a number of those areas.

Mr. Lingenfelter: — And can you tell me, just to get a clearer indication, how many farmers are now enrolled in crop insurance, and what percentage does that represent of the number of acres that are under cultivation?

Mr. Swan: — I have some preliminary statistics, if you will,

because our deadline was just March 31st so our staff are still processing. We had just under 23,000 or just right around 23,000 contracts in 2010. It looks like for the first time in 20 years we'll actually have more contracts in 2011. Exactly how many more I can't say — probably a few hundred more.

Percentage of acres, we had about 72 per cent of the acres insured in 2010. I don't know what we'll have in 2011, but I believe it'll be something higher than 72 provided the weather co-operates and people are able to get the crop in.

Mr. Lingenfelter: — How does that relate to AgriStability and AgriInvest? Would it be roughly the same percentage of farmers? Would it be about the same number, or can you get that for me?

Mr. Swan: — Sorry about that. We just, for 2009 program year, we had about 24,000 AgriStability applications, so relatively close to the number of contracts under crop insurance. Not that those are directly comparable but roughly the same number. And for 2010, we're expecting to receive more applications, probably in the range of 26 to 28,000.

Mr. Lingenfelter: — And what about AgriInvest?

Mr. Swan: — Of course we do not administer the AgriInvest program, but our understanding is it's a little over 30,000, — 34, 34,000.

Mr. Lingenfelter: — Then that would represent likely 80 per cent?

Mr. Swan: — Not sure. I don't know. I don't know how to make that comparison because it's obviously a different program design. Crop insurance is crop-based and the others are margin-based.

Mr. Lingenfelter: — The only thing that I would urge the department because AgriInvest is such a . . . I mean it's no lose for a farmer. It seems strange that anyone wouldn't be signed up for it because it's sort of just money in and twice as much money out. And is there a program that tells farmers that story, or do you do any direct advertising of that program, or how does that work?

Ms. Koch: — It's Alanna Koch, deputy minister of Agriculture. In all of our information that we put out, we often speak to the entire suite of business risk management programming. So we'll speak to crop insurance and AgriStability, both of which we administer here in the province, but we will also speak to AgriInvest as well as AgriRecovery. So we do speak often in our publications, make producers aware of all of the options that are available to them.

The federal government administers AgriInvest so they are the ones that put out notices, you know, about AgriInvest. But as part of the federal-provincial, you know, shared programming that often goes on, we will often include AgriInvest information, for example, in our *AgriView* publication, which goes out broadly to all producers. And so we do, you know, and also our staff in our regional offices, our farm business management specialists will often remind producers all of their options that are available. So we do what we can to ensure that

producers are fully aware of AgriInvest. And as you mentioned, it seems surprising that something that should be, you know, an easy sell — it should be — but sometimes it's farmers just don't want to enrol. But we certainly do what we can to get the information out.

Mr. Lingenfelter: — I know in our office when people call in about it, we always make a point of doing what we can to explain that it's a program they should. Because I mean even if you didn't have the cash in your pocket, you can walk into any bank because the bankers do understand that program and they're very helpful and in making it happen.

The one other issue around crop insurance that I wanted to ask is, when you were doing the review of crop insurance, of course spot loss hail is an obvious question. When you look back and at the study that you did, I think, or that you commissioned, I think it was in 2008 and the recommendation from the group came back that crop insurance could and should include spot loss hail, what was the discussion or can you share some of the discussion around that? I know it must have been considered. Was it just the lack of support from the federal government and the cost sharing of the program to reimplement spot loss hail or were there other issues that were going on in that debate?

Hon. Mr. Bjornerud: — Not really. I think it was, as you know and we all know, that spot loss hail was one of the issues that were recommended when we did the survey. But in . . . And I guess really what it came down to was \$70 million it was going to cost us to go it alone because the federal government I think, you know, I look back and the spot loss hail program that it was cut in '92. And I think the member might be very aware of that. It was cut for a couple of years there and then reinstated; spot loss hail was put back in the program. And then in 2002 again it was cut again. And I think at that point the federal government probably thought, because the province had cut that part of the program twice, that they would take their dollars and put it in some other part of the program for something else, and we lost those dollars.

So really it boiled down to once we realized that it was going to cost us \$70 million alone just to reinstate spot loss hail again, it made it so that we would've, number one, premiums would've had to go up dramatically for producers. We're talking an increase this year because of higher grain prices, but we would've saw premiums go up dramatically if we'd reinstated it. And I guess, you know, and I think previous ministers have made this comment before too, there are private hail insurance companies right across the province here that compete with each other for this, Municipal Hail of course being one of them, but a lot of the line companies that are out there providing that service. So I think it was our feeling, when it was almost to the point of being unaffordable now, to go it alone as a province and provincial budget, that we would make other changes to the program and try and improve the program, which I feel we have done to a great degree. And we've still got more changes I think we'd like to see into the future.

But we've made a number of changes and I think a number of improvements, according to producers out there. They seem very receptive to it. But really it boiled down to \$70 million that we wouldn't have, you know, we would have had to go alone because the federal government wasn't going to fully fund their

share as they were before it was cut in 2002.

Mr. Lingenfelter: — Now in the arrangement with the federal government, they have just said no to spot loss hail? Or there are still discussions going on around that?

Hon. Mr. Bjornerud: — Well I don't think there's discussions any more because we've made other changes and enhanced the program really right across. You know, the funding at the level that we were getting it from the federal government before certainly is not there now. And you know, I guess it's one of those things if we really felt it should be there then we shouldn't have cut it in '92 and we shouldn't have cut it again in 2000 and we would have had federal funding, their cost sharing of that program. And we wouldn't be having this conversation right now.

And I think the member is fully aware, you know, at what points in time the spot loss hail was cut out. And you know, I guess to a degree you can understand why the federal government might have felt, well if you keep cutting the program spot loss hail out of the crop insurance program, we'll take our dollars and invest them somewhere else into the province or other provinces for other parts of programs, because it seems Saskatchewan doesn't want that to be part of their program.

Mr. Lingenfelter: — Yes, obviously there is still a lot of concern and a lot of farmers who would like to see spot loss hail put back into the program. And I'm not being overly critical about the government for not living up to a commitment and a lot of discussion that went before the election. A lot of farmers tell me that that was a debate during the election and a commitment made. Nor am I going to go back and explain why we cut a lot of things in 1992 after some pretty terrible years in the Devine administration when we had the highest per capita debt. We had to make a lot of cuts that people would rather not have made.

But having said that, what I want the minister to know is that that issue has not gone away in rural Saskatchewan. And when we do surveys or ask farmers about changes that would be most appropriate if we had money to inject into agriculture, it still comes back pretty loud and clear that one of the things that's right at the top of the list would be spot loss hail. And so I just wanted to know whether there was some discussion and debate going on that might see at least a partial program reimplemented over the next year or two.

Hon. Mr. Bjornerud: — I understand the member's reasoning for 1992 possibly, but I don't understand in 2002 then why we cut it again and took it out of the program.

I think if producers realized what their premium, their share of the premiums would be along with our share of the premiums, I don't know if they'd still want it. I think they want it like it was before, at the same rate. And I'm sure that's what they want. I know that's what they want because there was a subsidized hail insurance program along with crop insurance.

I think if they saw, with the federal government not coming fully to the table the same way as they were before when the program was cut in 2002, and then producers saw that their

premiums were going to jump dramatically from where we are today even, I think they might reconsider and go to the private line companies or Municipal Hail, for that matter.

Mr. Lingenfelter: — Just turning from the direct spot loss hail, can the minister tell me, last year in the flooded area, is there any knowledge of the bushels harvested? What was the quality of the grain in that particular area, in the flood area? Do you know the percentages of sort of no. 1, 2, feed grain, that sort of thing?

Hon. Mr. Bjornerud: — I don't think we can give you an exact percentage. And I guess even outside of the flooded area, with the fall that we had last year, there's grades — as you know, you're aware of — that there's all grades out there, from feed to 3 to 2 to 1 for wheat. It's all over the map.

And you know, my home area's a good example. I know there's other areas out there that we weren't flooded anywhere near what, you know, Foam Lake and up in that area was, right through to the northeast corner. And yet our grades deteriorated with the kind of fall we had. So it was just a trying summer right across. So I don't know. I don't think we've got a real, how we could even have a handle on it at this point of just what the grades will be as this crop is sold.

Mr. Lingenfelter: — And what is the price for some of the commodities that were used in your budget that we're dealing with now in terms of some of the grains? Do you have a list of what you were projecting for wheat, canola, those kind of things?

Hon. Mr. Bjornerud: — Yes, we've got all of those numbers, of course remembering that these are federal projections that we go by. We'll get those numbers for you.

Mr. Swan: — Just going from our 2011 insured prices under crop insurance. That's the January price forecast from Ag Canada. It is available on our website as well. There's a guide that's there that includes all the insured prices. Are there particular crops that you're interested in?

[19:45]

Mr. Lingenfelter: — Maybe the main crops that we produce. If I could get wheat, durum, barley, as well as canola, just to get an idea of . . .

Mr. Swan: — First off, barley in bushel terms is \$3.48; canola is 10.89; durum is 6.34. Of course we insure at a base grade, so that's for 2 Canada for durum, eleven and a half per cent protein. And hard red spring wheat, 6.04.

Mr. Lingenfelter: — These would be for crop insurance purposes?

Mr. Swan: — Right, for crop insurance purposes.

Mr. Lingenfelter: — Do you have a projection for the actual budget? And maybe to the minister this would be more appropriate, but when we do our budget forecasts for oil, gas, potash, I don't think it would have been these numbers that Finance would have used.

Hon. Mr. Bjornerud: — I can't tell you exactly what Finance would have used for grade and prices. I'm sure they would have looked at Crop Insurance or the federal forecast, and probably they may have a forecast of their own from the federal government too that they would have gone by, but I certainly can't answer for Finance.

Mr. Lingenfelter: — On the issue of flooding last year, if you overlay a map of the snowpack now — although I think that we're all a bit pleased and surprised how nicely the snow is melting, and we're going into areas where there was a lot of snow and now it's pretty much melted — but in that area where the 10 million acres weren't seeded, do you have any idea or projection at this point in time how much of that land will be under water and not be seeded? Or is it just too early for that?

Hon. Mr. Bjornerud: — I think it's too early. I know in my home area, right through that area, there is a lot of snow sitting there yet, and I think it's far too early. There is hardly any bare ground at all. I know in my situation, I get 30 miles out of Regina before I see any bare spots out there, and it's changing daily. And we know the temperature tonight and tomorrow night is supposed to go down to quite low again, and I think that may be one of the positive things we've seen. I know everybody is in a hurry for spring to happen, but I think a couple of nights like that might give us a little reprieve.

I know there is some of the community, as we were talking about before, that are seeing some flooding out there. But I think up in our area where there is a lot of snow to go yet; I think we're, you know, it's almost in that kind of you hold your breath a little bit to see how quick it's going to go. But I think most producers would say a couple of cool nights here might be, you know, might stop, slow a little of that flooding down. But I don't think we'll know until all the snow is gone and a lot of the runoff has happened out there.

Mr. Lingenfelter: — And is the area where the most snow is the same as where we had the flooding last year? Is that the indication the department is . . .

Hon. Mr. Bjornerud: — I think probably that would be where most of the snow is, although after — what was it, 10 days ago? — the weekend where that foot and a half of snow in some areas came down, I think kind of changed the picture. You can go into Maple Creek and up from that way, I think you've seen some of that where they had . . . Eastend where they had a fair amount of snow last weekend has changed that somewhat. And you know, I guess that's one of the things that we're hoping doesn't happen again right across the province is we get another foot of snow on top of the moisture that we have right now.

Mr. Lingenfelter: — In terms of the cattle industry, can the minister tell me what is the livestock herd at end of 2010? Do you know how many breeding head we have in beef and how many hogs we have in the province?

Hon. Mr. Bjornerud: — The numbers that we have, that Nithi has provided us here, is 1.3 million head of cows right now as of January 1st, 2011. I might add to that I think everywhere the numbers have dropped somewhat since BSE [bovine spongiform encephalopathy]. And I know the US [United States] numbers right now, they are saying that they're as low

as they were from the 1950s, which in one way I guess is a negative. But on the optimistic side, we've seen record cattle prices right now, which have been a long time coming over the last seven or eight years.

But I think the positive sign, the most positive sign is the US numbers are down. And I think that bodes well into the next few years. I think if you talk to a lot of the feedlots and even the packers like Nilsson's and those that deal with it every day, feel that this should not be a short blip. There may be little trends backing off, but overall for the next few years I think they're very positive in the prices. Total cattle and calves, about two and a half million, just over; hogs were 790,000.

Mr. Lingenfelter: — Can you give me what were the high numbers for beef and pork over the last 10 years?

Hon. Mr. Bjornerud: — Yes, from '06-10, that average in that area was about 2.8 million cows and calves. So that would be off not quite, oh, probably 200,000 head, I think. So really in the large picture, we probably didn't drop as much as even Alberta, and far less than the US did in their numbers after. Of course, BSE was our big detriment.

Mr. Lingenfelter: — They're down about 10 per cent.

Hon. Mr. Bjornerud: — It was probably in that neighbourhood, yes. Well minus 8 per cent it says here.

Mr. Lingenfelter: — Minus eight?

Hon. Mr. Bjornerud: — Yes.

Mr. Lingenfelter: — And pork would be much higher than that? It would be down by 30, 40 per cent?

Hon. Mr. Bjornerud: — Yes that would be 28 per cent down.

Mr. Lingenfelter: — How much?

Hon. Mr. Bjornerud: — 28 per cent.

Mr. Lingenfelter: — From the average, not from the high.

Hon. Mr. Bjornerud: — Probably from the average, I would think.

Mr. Lingenfelter: — But do you know what the high was in that 10-year period?

Hon. Mr. Bjornerud: — Well from '06 again, 1.099 million hogs. And then the number that we had told you there was about 790,000, so that's off a little over 200,000 probably from where we were.

Mr. Lingenfelter: — And again on the AgriStability, if grain farmers have a tough time with AgriStability, the beef producers are I think even more confounded how that program is supposed to work. And maybe it's because they have a combination of grain and beef, but is there a mechanism in place, a special effort being put on some communication with beef producers on the issue of AgriStability?

Hon. Mr. Bjornerud: — Well I think that's one of the discussions we've had at the federal table and remembering — I think we talked about this before — but changes to that program have to be agreed upon by seven provinces before the federal government will make those changes. And I think when you see what's happening to the economies across the country, where there's deficits in most provinces, at the table there's little appetite for change or to add more dollars to the agriculture programs that were out there.

So really when we talked about margins and that, and specifically for the livestock industry, I think was the one that we were talking about mainly, some way of addressing that to respond somewhat better for that industry. Up till this point for sure before prices have started to improve we really got, I would say, very little co-operation at any other level or other province right across the country because the feeling that I got was their program spending for agriculture certainly wasn't about to increase. In fact I got the feeling in some provinces they were even considering cutting theirs. So I know here we're certainly not doing that. We'll fully fund all the programs.

But of course to get the changes that we'd like to see or, you know, some improvements out there that you had talked about for the livestock industry, we would certainly I don't think have very much support at this point. Possibly into the future when the economy picks up right across the country and a lot of the provinces, they may be far more open to make changes, but I certainly didn't see that at the federal tables at this point.

Mr. Lingenfelter: — Just going back to the spot loss hail, are there other provinces that have spot loss hail in their crop insurance program?

Mr. Swan: — Both Alberta and Manitoba do offer spot loss hail. I will add that the private hail industry is much different in each of those provinces compared to Saskatchewan.

Mr. Lingenfelter: — What is the cost-sharing formula? Is that something that each province negotiated? Would it be different in Alberta than in Manitoba, or is it 60/40? Or what would the, how does it split between the three — the farmer, the federal, and provincial government? I probably could go back and check because it's probably the same formula we had.

Hon. Mr. Bjornerud: — Just off the top of my head, I think it's 36 federal, 24 provincial, and 40 for the producers is the cost sharing for the normal premiums. Now if we reinstated spot loss hail, I don't know where we would be on that because we weren't getting that same type of funding.

Mr. Swan: — I can at least partially answer your question. It is not negotiated bilaterally. It's part of a fed-prov agreement that is there. Basically the spot loss hail that's offered in the other provinces is unsubsidized. They're competing directly with the hail industry in Manitoba and Alberta.

Mr. Lingenfelter: — Do you have a split on the three partners in that?

Mr. Swan: — 60/40, 60/40. 60 per cent government, 40 per cent producer. Of the government share, 60 per cent federal, 40 per cent provincial. So it's 60 . . . or sorry, 40, 36, 24, producer,

federal, provincial on normal cost sharing. On spot loss hail they call it risk splitting. So the federal government only picks up I believe it is 13 per cent. I'll double-check on that, but it is a much smaller percentage than normal.

Mr. Lingenfelter: — On hail.

Mr. Swan: — Yes. On anything they call risk splitting, which hail is one of them.

Mr. Lingenfelter: — How would that apply to other animals, bird damage? Would it be the same then on that? Because I know there have been changes to make the program a bit broader to protect farmers from some of the wildlife damages.

Mr. Swan: — Sorry. On the wildlife compensation program, it is 60/40: 60 per cent federal, 40 per cent provincial up to 80 per cent damage. On the extra 20 per cent, the province picks up that entire amount.

Mr. Lingenfelter: — I remember our discussion around that last time. That's right. And going to the wildlife damage, is the Department of Agriculture getting more claims for deer and antelope, the bird damage than in . . . Is that an upward trend or is it staying about the same? Can you give us an indication on that?

Mr. Swan: — Generally we have seen an increase in the number of claims. Of course we are covering more things now than we have in the past, so that might drive it a little bit. And a lot of the damage that happens, especially to crops, is a function of the weather. If the crop is left out in the field longer, it's long . . . There's more opportunity for damage. So it is a little bit of a function of that overall. But as a general trend, I would say we have seen some increase in claims through the program.

Mr. Lingenfelter: — It would just seem to me that with the flooding in the last year and now with this year's . . . South of town here, it looks like half the land is under water and literally millions of birds coming in, that it likely will continue to go up this year. But I just wondered, in terms of deer and antelope, do you have areas in the province where that's becoming a significant problem for farmers, or is it just my farm where that's happening?

Mr. Swan: — Sorry, we don't have a good breakdown for you by the province. Obviously where the damage is is where the animals are. So the animals are going to be concentrated in certain parts of the province, and that's where we'll get the claims. But I don't have a good breakdown.

Mr. Lingenfelter: — [Inaudible] . . . are the claims increasing for deer and antelope and other wildlife?

Mr. Swan: — I think for deer, they probably are increasing as a general trend. I'm not sure about antelope. But deer, as a general comment, I think we're seeing increased claims there. But as I said, there are other factors that drive that too, what's happening weather-wise as well.

Mr. Lingenfelter: — And what about sort of the hay, destruction of baled hay and that sort of thing? Does your program apply to ranchers and feedlot operators and the damage

that might be done by deer and other animals?

Mr. Jaques: — Shawn Jaques, Sask Crop Insurance. Yes. Under the wildlife damage compensation program, we do cover for damage to stacked forage as well. So if the deer are causing damage in a producer's yard, that will be compensated for.

Mr. Lingenfelter: — I wonder for 2010, what kind of money would have been paid out under that program for that kind of damage.

Mr. Jaques: — We haven't finalized all those claims yet because the deer are still causing damage in some of the areas. So those probably won't be finalized till, you know, later this month.

[20:00]

Mr. Lingenfelter: — In terms of the other predators where you have programs I think now for trying to control gophers and rats, I know, and some of the beaver populations I think we were concerned about, when you're talking to Nature Conservancy and some of the other people on the environmental side, I would expect there's a fairly healthy discussion goes on before we start these programs. But I'm curious about the opinion of Nature Conservancy and others on the coyote program that I think cost us almost \$1 million. But wouldn't that lead pretty directly to an increase in gopher population, deer population, that kind of thing? And have they made any comment in your discussions or publicly on why that program might actually work against the farm community in the longer run?

Hon. Mr. Bjornerud: — Well I think we're seeing anything but that happening. If you remember back, I believe it was three years ago where we brought in the rebate for gopher control, whether it was strychnine or whatever the situation was, and give that 50 per cent rebate to RMs [rural municipality] and reserves and producers, individual producers across the province. And the first year the uptake was I believe in the neighbourhood of . . . What was it? Half a million dollars, something in that neighbourhood?

A Member: — First year, it was over a million.

Hon. Mr. Bjornerud: — Over a million the first year. And we saw that decrease since then. So I think maybe — and, you know, I'm hoping this is what's happening — is we're starting to get ahead of the game a little bit. I know we're certainly not getting the calls that we were probably three to four years ago. You know, it was very dry in the Southwest those years. So in 2007 it was kind of coming to the end, but the number of gophers out there was I think a lot higher than we see today because we certainly aren't getting the calls, and the uptake on the rebate program is dropping off each year. And I think that's just an indication of the problem out there is maybe improving somewhat, but, you know, it's still a problem across the province.

Ms. Morin: — My colleague to the left of me actually has some questions and he's on a tighter time frame than I am, so I'm going to let him go first.

The Chair: — Mr. Vermette.

Mr. Vermette: — Thank you, Mr. Chair. To the minister and your officials, I've got a few questions I'd like to see if maybe you guys can give me some background information. And I guess where I want to come into is wild rice. We have quite a few northern producers who produce wild rice, and I just want to see if you can give me a little background information, how your department deals with that. And then once you give me that information, I'll then ask some questions and go into it further. If you could do that, I'd give you that opportunity. Thank you.

Hon. Mr. Bjornerud: — Rick will respond to the member's question.

Mr. Burton: — It's Rick Burton, ADM. The issue of how we deal with wild rice producers, we . . . There's a couple of things. We have crop insurance, and Cam can elaborate more on that in terms of wild rice program, insurance program for crop. As well, we provide information to producers. We had been providing that through our northern product specialist in Prince Albert, or I'm sorry, in La Ronge.

Mr. Vermette: — The numbers, do you know how many producers you currently have operating and dealing, I guess, producers of wild rice? Do you know how many you have at this time?

Mr. Swan: — I can just answer on how many people are enrolled in crop insurance. Sorry, I don't know the total number of wild rice producers. But we had in 2010, 78 contracts insuring about a little over 20,000 acres of wild rice — 20,400.

Mr. Vermette: — Can you just repeat the number of producers you said?

Mr. Swan: — 78 contracts — 7-8 — insuring just over 20,000 acres.

Hon. Mr. Bjornerud: — Just to elaborate on Cam's answer there before that, there was about 150 wild rice producers in 2009. So you know, that might vary a little bit from today, but that's two years ago, numbers from two years ago, but around 150. So I think what Cam's saying probably about half of them are in the crop insurance program. I'm not sure if that's half the acres, but half the people that are in production.

Mr. Vermette: — Okay. Do you know how many out of those . . . I guess this year 2010 was 78 producers that had, I guess, went ahead with the insurance and the program that you offer. How many of those producers would've used the insurance program? And I mean you can just give me a number if you have that information, just to see what kind of numbers they actually used and, you know, what percentages of those — whether it's 20,000 acres or whatever it is you referred to — what number or percentage would've actually, I guess, filed a claim for loss of crops?

Mr. Swan: — The wild rice program is an area-based program, so individual producers do not file a claim per se. I'll just try to get statistics on how many people were actually eligible and received payment under the program here.

Okay. I'll have to piecemeal a little bit of an answer here. Unfortunately I don't have the number of producers, but I do have the number of dollars. First of all, the 20,000 acres that I spoke about in 2010 was, the total insurance coverage was about \$465,000. And as far as payments go, the western . . . It's broken down into three regions. The western region in total — I don't know how many producers are involved in that — received just over about \$5,500. And the central region was in a lot more significant loss and received about \$110,000. The eastern region had no pay, payout in 2010.

Mr. Vermette: — What other programs currently are offered to wild rice producers currently in I guess . . . [inaudible] . . . northern Saskatchewan? Are there . . . What other programs do you have?

Hon. Mr. Bjornerud: — AgriStability and AgriInvest that we were talking about with the member before, they have that opportunity. I can't give you a number of how many are in the program, but they have, they can go into those programs.

Mr. Vermette: — And I guess for myself, I don't have a lot of background information on that and what I'm trying to see if . . . So is there a cost to them to get into these type of programs like this?

Hon. Mr. Bjornerud: — All the Growing Forward programs of course they can take part in. I don't know how . . . I'll get Cam to respond maybe, or Shawn, with what the cost of the program is for producers.

Mr. Swan: — The cost of the AgriStability program is there is a fee that they pay. It's a percentage. It's not a large amount overall, if you will. All producers who enrol in that program, I just . . . I'll try to find the percentages for you. It's very minimal.

Okay. The AgriInvest fee is 1.45 per cent . . . sorry, 1.5 per cent of allowable net sales, and on AgriStability is point four five per cent of your reference margin. It's a five-year reference margin, deducting the high and low of those years.

Mr. Vermette: — Now currently you say that you have a staff member, and I want to be clear. Is it a staff member, or a number of staff, or an office in La Ronge that deals with the wild rice? Can you give me a little bit of background information on when you say staff? And I think the minister or one of you referred to La Ronge.

Mr. Burton: — I believe that with a staff member, we had a staff member named Gerry Ivanochko who worked in the La Ronge office, a wild rice specialist. He recently retired, but he has agreed to come back and work for us this summer on a contract basis. And that's with the northern, with the Wild Rice Council. And we're going to work with them through on how we provide those services in the future.

Mr. Vermette: — And I guess, I know there's different producers who will produce, you know, a lot more of, I guess, the wild rice product that's used. And there are some, I guess, an industry . . . And we'll say that Wild Rice La Ronge has its plant and processes wild rice. If you look at the different, I guess, producers out there, some might be large producers just

like in farming. And there's different, you know, some are smaller and they might be, you know, a mom and pop team that goes out and harvests wild rice, and some are bigger and they might have staff and different costs. What kind of opportunities and programs do you have when they run into problems? And what type of problems have you heard them run into? I know I've heard of some, but I'm just trying to see what, you know, as far as your ministry deals with that, or is it all dealt with Gerry out of La Ronge?

Mr. Burton: — A lot of it is dealt with Gerry or through Gerry out of La Ronge. But of course, you know, they would be eligible for Growing Forward programs such as farm business management, you know, so any advice on that area. And Gerry's been the one who maybe has coordinated that in the past, but you certainly could get that from the farm business management specialist out of the P.A. office or others. There isn't always a large uptake at this point. And you know, we can look at how we can make that better.

Mr. Vermette: — Thank you. When you look at that . . . And I think of some of the concerns and whether, you know, their crops are flooded out or for different reasons, whatever, there's different things that will happen in the opportunity and the product that they're producing. And I'm curious to see if there is a need for assistance out there with the crops that they're producing, how quick and what kind of things could Gerry or could the ministry adapt to dealing with the situations that have come up. And I'm just trying to see if they're, just trying to get a feel for what has happened in the past, and if there are situations that require them to get, I guess, different assistance, whether it's subsidizing to try to get their product to the market. There's different things like that.

I just look at the whole picture up there, and it's different than, you know, coming down south and, you know, harvesting grain and the different products that are harvested down here. They have a unique situation. What programs do you guys . . . And is there any programs that you assist northern producers that are producing wild rice?

Hon. Mr. Bjornerud: — I don't think there's any other than the crop insurance program that we have. I don't think anything right now. Of course as Rick said, we work with Gerry. And I know marketing has been a problem. It changes from year to year, but it's certainly been problem for the wild rice producers out there. But that's really crop insurance is the only program at the present time, other than the other programs that Cam talked about that they can take part in.

Mr. Vermette: — Thank you for that. So let's just say that there's a situation where they have to come forward. Is there opportunity if that industry has something come up that . . . and I mean, not that they can be aware of, you know. Situations arise, and if that was to happen, working through Gerry, where they would have . . . And I mean there's not a lot of producers; we realize that. But you know, I know that there's a certain product that they produce, and there are times where that market is very clear. They have a market for it, and then there's times where, for whatever reason, you know, it hasn't been as successful for them. So I look at that.

Would it be easy for them — and I say this to approach the

ministry with Gerry — if they needed help in any area? And how open are you guys to adapting for different new things that, you know, might come up? And it's not ongoing, but it's something that's different that they would have to deal with. Would you guys, and I guess your ministry, adapt to?

[20:15]

Hon. Mr. Bjornerud: — Well I think we would be open-minded to any suggestions, whether, you know, through Gerry or whether in meetings with him, but usually it's through Gerry that we take recommendations of what the needs and that are. But we would certainly be open like any other part of the ag industry to look at anything that maybe we can help them with. Marketing is a tough one because it goes, you know, supply and demand. And that's a tough one for us to try and solve that problem, but we're certainly open to work with them, anything that they may suggest that we would certainly look at. Rick, do you want to just maybe add on top of that?

Mr. Burton: — I would just say as well that they haven't used the program in the past. It's a relatively new program, but the SAVI program, the Saskatchewan agri-value initiative program is . . . There's been an opportunity there that, you know, it would be not individual marketing but collective marketing in terms of some branding and marketing around wild rice. There could be some opportunities there for some assistance, and we could explore that with them if that was their issue.

Mr. Vermette: — Now I'm thinking about, I guess, when you look at education and awareness and from the ministry and with your staff you have — and if it's Gerry and I don't know who else would be working with the producers in northern Saskatchewan that harvest actually wild rice — what type of information and what type of education, what type of programs, awareness, and of the programs that you offer and the ministry could offer. What type of programs would you say that your department, your ministry would assist the wild rice producers out there with?

Mr. Burton: — Just in terms of awareness of programming, of course as I said, Gerry in our office in La Ronge has done a lot of that. Annually they organize a wild rice producers' conference in La Ronge. And so during that day on an annual event, of course there's an opportunity to present programs and have discussions about the various programs and services that the ministry can offer or that might be available for them.

Mr. Vermette: — Okay. So there is an opportunity for the producers to get together with Gerry, and if they have suggestions, ideas, whatever challenges, I guess there's an opportunity or venue for them to do that. But I was guessing from the ministry and I guess from Gerry, if it's one time a year, if there's other ways that your ministry could assist. And I guess that's the other thing I want say, that if there is things that I could suggest to them when I go back home and when I'm talking to them, if there's areas where they need assistance I guess I could say, well I know there's an opportunity here. We can move forward by asking and I guess, you know, it's not going to hurt to ask. They are producers and they expect to have some support when, you know, there's challenges out there. Not just to say they want handouts. They work hard and they do an excellent job, but sometimes circumstance comes up and they

need that extra help. So I'll just carry that on further with that.

I've got a couple more questions. And I guess I look at this, the beaver bounty that you're putting on. And I think that started already. Can you give me some details into that, or if it is starting, do you have any information on it?

Hon. Mr. Bjornerud: — It hasn't actually started yet. What we have done is we've given \$500,000 to SARM to administer the program, and they haven't come out with exactly what where they're going with that. We had talked about removing beaver dams or channels, and there may be a beaver bounty, but they exactly haven't come out with a specific program. I would expect them to do it fairly quickly because of course the need is out there and, you know, we're getting a lot of waterways blocked up right now. So I would expect in the near future that SARM will come out with what kind of a program they're designing.

Mr. Vermette: — So having said that in that program, I guess we know that there now the money's allocated to it. You're going to go there. Is there certain areas that you know or are you guys aware of that SERM [Saskatchewan Environment and Resource Management] or that department will be looking after? And is there an area that they're targeting? Is it the North, the South? Like just so I have an understanding of what areas they're targeting.

Hon. Mr. Bjornerud: — From our perspective there is no, we didn't pick no boundaries at all. I think that's why we were dealing with SARM because probably they know the RMs that are having the largest problem out there. And they'll deal with them I think when they're designing the program, how it will fit and work with them. Some of the RMs right now before we even announced this funding, they already have a bounty of their own on out there, whether it's \$20. I think the most common number used is \$20 per beaver out there right now. Now whether SARM complements that or it's a cost-sharing program, I'm not sure. We'll see when SARM comes out with it, but I know that's some of the suggestions that they've talked about already. But you know, wherever the problem is, they'll be trying to address.

Mr. Vermette: — And you know, exactly, like when you say you're . . . And I'm not sure of this area, whether SERM will do it, and what is it they were going to require: the full beaver, a tail? Like what exactly are you guys looking at? Just to be curious.

Hon. Mr. Bjornerud: — No idea, because again SARM is designing the program. So you know, whatever they come up with. I'm not sure what the RMs even use out there, whether it's beaver tail, whatever it is. I'm sure they'll know better than us. That's why we worked with them to design the program.

Mr. Vermette: — Okay. And I guess going on, that I know there's a lot of concern and we'll see where this goes at the end of the day. And if there's areas and I know with northern Saskatchewan and I mean obviously we have our trappers who trap beaver and so on. And if you're going to have a bounty on that, I know it's going to raise questions and concerns. And whereabouts will SERM or the RMs, where will this bounty and people have access to actually, whether they're trapping,

shooting, or however they're going to, you know, take care of that? I guess that'll be up to SERM to decide.

But at the end of the day I think about it and, you know, it's just I think of the trappers. And if there's an opportunity to utilize trappers, you know, to do this, it was probably a good opportunity. And maybe a suggestion from your department to say look at northern trappers and some of the trappers in Saskatchewan to make sure we utilize them if there's an opportunity to utilize, you know, the meat, the fur, whatever else they can utilize for our northern trappers and trappers in, you know, southern Saskatchewan — wherever they are. There might be an opportunity to utilize the fur and everything else that they can use to make, you know, economic sense and not just putting all the money in one way.

Hon. Mr. Bjornerud: — Well I think they certainly will look at the trappers in the northern part of the province because I think, you know, you're aware in the southern part of the province we have far less trappers than we used to have. And I think that's part of the problem is we really have a need of that. But of course with the pelts not worth a whole lot right now, it wasn't, you know, worthwhile for them probably to stay in the business, and a lot of them have exited it. But you know, so I'm sure they'll look at anywhere that they can find that expertise. And of course right now that's more in the North than it is in the South by far.

Mr. Vermette: — And I know, and I don't want to get into other areas because I know one of my colleagues wants to ask some questions about in northern Saskatchewan about some of the other I guess products that are harvested out of northern Saskatchewan.

And at this time I just want to say again thank you to your officials and yourself for providing the information. And if there are other things that we need to work on for northern producers with wild rice and the trappers, we'll move forward on that. And thank you for your answers and your time. Mr. Chair, thank you.

Mr. Belanger: — Thank you very much, Mr. Chair. Couple of questions as well in terms of the northern perspective. I'm going to be talking about coyotes and rivers and the Canadian Wheat Board versus . . . [inaudible] . . . and wild rice and beaver hats.

As you probably know, my colleague from Cumberland took a great interest in the beaver bounty. He was modelling beaver hats this afternoon, and he had an objective to try and find 500 beavers that he could harvest to create 500 hats so he could market these hats.

The whole notion of beaver bounty, so to speak, in northern Saskatchewan there is an effect as well on the product of wild rice. I know that one of the examples that I often hear in Dore Lake area where beaver dams have really quite frankly blocked a lot of rivers that used to flow into Dore Lake, Sled Lake, Beauval, they're all kind of interconnected. And one of the trappers out there said there has been a lot of beaver activity where they've actually had so much activity that the flow of water is now down to a trickle, and that really affects the wild rice crop.

So in essence of the comparison of southern, the southern beaver bounty versus a northern beaver bounty, I want to make sure that the minister was suggesting — and I hope he was and he can certainly correct me — that perhaps the beaver bounty option should be something that your department should consider for northern Saskatchewan. Because it creates problems in the South, I see that. And you're right, SARM is probably involved heavily as to how they do this, but there is some significant challenges with the beaver population in the North as it affects rivers, streams, and thus affects wild rice production.

So is that a possibility that your department will expand the beaver bounty north and to also maybe help some of the wild rice growers out there — because it is a very valuable crop — have them, give them that kind of assistance? Is that possible?

Hon. Mr. Bjornerud: — I guess we would certainly look at anything that we could do to help. I guess probably more in the North would fall under Environment. You know, because we're Agriculture, and the bulk of the Agriculture is here now — I know with the exception, you're talking about wild rice, and that's a fair comment — we would certainly look at anything. But we haven't had that brought to our attention yet from really the north half of the province till, you know, till you and the member talked about it here tonight.

Mr. Belanger: — Right. Then perhaps the member from Cumberland and I could actually look at the possibility of a pilot project in two or three locations. I would suggest the Dore Lake, Sled Lake area. There are rivers that connect as well as to La Plonge; there's three major lakes there. And we know that from the travel pattern of some of the trappers and the fisherman, that they see a lot of activity with beavers, beaver dams that's creating water jams and certainly affecting the wild rice crop.

Overall with the wild rice crop . . . so I would suggest that as a pilot project, looking at how we can clear out those rivers and reduce the beaver population.

What is the total value for the wild rice crop in general? I know it remains static. It was up and down. And some years are good and some prices are, some years the prices are good. But what is the average value of the wild rice crop overall?

Ms. Koch: — So depending on market price, it will range anywhere from 1 million to \$2 million annually. But obviously it's dependent on where market price is at.

Mr. Belanger: — Okay. In relation to . . . and I know this is a developing industry because we have a lot of interest in the wild rice file, my colleague and I of course, because it's part of our economy, along with trapping and commercial fishing. Many people do all three to kind of basically do their mixed farming operations, if you will. But in reference to the cost, because it's a new . . . I shouldn't say new industry, but it is relatively new in the sense of being involved with Agriculture and looking at the crop insurance program. Again going back to the costs, I just wanted to clarify, how much is it? Is it on a per acre basis that you base your insurance fees then? Because you mentioned a figure there, and I was more confused at the end of the answer because I'm not a very intelligent guy.

Mr. Swan: — Sorry. For the crop insurance program, yes it is on a per acre basis. The yields are offered on a per acre basis. Just to give you . . . It ranges a little bit by the area, the region that we're dealing with from 33 pounds per acre in the east to all the way up to 48 in the central part, and the western part is 35. The price, the premium per acre, again it depends upon which level of protection — 50, 60, or 70 per cent — that they choose. And it ranges everywhere from 34 cents an acre to just over \$2 an acre for premium. That's 2011 figures that I just provided.

Mr. Belanger: — So in essence, when I look at the crop insurance program, the general crop insurance program for a lot of other producers in Saskatchewan, I see the insurance perspective being one-third provincial, one-third federal, one-third the producer. Is that generally the same correlating figures that you have with the wild rice industry?

Mr. Swan: — Yes, under the wild rice insurance program, it's the exact same cost sharing: 40 per cent producer, 36 per cent federal, 24 per cent provincial.

Mr. Belanger: — Okay now getting back to the value-added perspective of the wild rice industry per se. I'm suggesting today, look at the beaver bounty program, expanding that north, doing a couple pilot projects.

I'm pleased to see that the costs for the wild rice insurance plan is one-third, one-third, one-third roughly. I'm also pleased to see that there is extra opportunity to market wild rice because obviously the price will depend on how well you market the product. So I would say that one of the gentlemen mentioned a particular component of support that they could look at. Was that . . . [inaudible] . . . or SAVI. Sorry. SAVI. So is that SAVI program, is that similar to the Canadian Wheat Board in terms of its concept?

[20:30]

Ms. Koch: — No, it's not a marketing program. It's a value-added program where companies can apply for assistance to help them determine how to better market their product, maybe do some branding, just assist them in marketing and adding value to their product. So it's a program that's available through our suite of Growing Forward programs. And it's available through our regional services branch, and so you can actually, it's available on our website. So you could download the information about the program and get information there, but it's called SAVI: S-A-V-I.

Mr. Belanger: — Okay. And the acronym meaning what?

Ms. Koch: — The Saskatchewan agri-value initiative.

Mr. Belanger: — Now getting back to the whole notion of the beaver bounty. Obviously the RMs do the job, they administer as the minister said. What do you do with all the beaver carcasses?

Hon. Mr. Bjornerud: — It will be up to SARM to deal with as part of the program.

Mr. Belanger: — Okay. The reason why I'm asking is, there's

no option there at all to look at any of the value-added component attached? I don't know how many beavers they harvest every year — is it 1,000 beavers or 2,000 beavers? Like what do they do with these . . .

Hon. Mr. Bjornerud: — Probably Environment would be a better one to answer that for those specific numbers. I don't know exactly what those numbers would be.

Mr. Belanger: — So you've been financing a plan to eliminate, or a beaver bounty plan, and you don't know where the carcasses are going or what's being . . .

Hon. Mr. Bjornerud: — It's the responsibility, as it was with the coyote program, of the RMs.

Mr. Belanger: — The reason why I'm asking is that there are a number of efficient ways to manage and harvest the beaver population. And it would be so nice to know those numbers as to how many dead beavers that are out there that SARM is responsible for. And why aren't they reporting that back to the ministry, because are they just simply depositing these carcasses in the landfill?

Hon. Mr. Bjornerud: — They may be reporting back to Environment. They wouldn't report back to us as Agriculture. This is a specific program that we've come out with, with SARM. But Environment probably would be more fitting to give you, you know, the kind of numbers you're talking about.

Mr. Belanger: — Okay.

Ms. Koch: — The other comment I would add is this is the first year for the beaver control program. And so, as the minister mentioned, anything that's gone on in the past regarding beaver numbers would be more appropriately provided by the Minister of Environment. This is just our first year of funding the program through SARM. So this will be SARM's first year at administering this kind of a program.

Mr. Belanger: — So basically, in the sense of whether it's your coyote program or the beaver control program, you just simply finance it. And you don't have the reporting mechanisms back as to how many you harvest each year, what is being done with it?

Hon. Mr. Bjornerud: — We certainly have the numbers that we took part in the coyote program. I think we were around 70, 71,000. I don't have the exact number right in front of me, but that was, that program was a little bit different. We really initiated that program.

This time we're dealing with SARM because of course it's the RMs directly that were asking for this. SARM had asked, probably the last, the mid-term, and spring convention, that's been a real big issue for them. So that's why we responded this spring with that.

Mr. Belanger: — So SARM, along the way, none of them ever said to you as a ministry or as a minister, look, we've got 7 or 8 or 15 or 20 or 30 or 40,000 beaver population that are creating some problems here? There's never a figure mentioned to your department about that figure? I'm just trying to get a handle on

how many animals we're talking about here.

Hon. Mr. Bjornerud: — Again that would probably fall under Environment. The issue that was brought to us from SARM — and I don't think SARM would have no way of knowing exactly what the numbers are out there — but they certainly know there's a dramatic problem out there with a larger number of beavers than they had for many years. I think we're going to see that happening now, especially up through the central and into the Northeast where it's wetter than normal. And I think we always see the problem magnify with the beaver population when, you know, as that wet area lingers on — let's put it that way — until we get back to drier times. But the problem is certainly out there for a number of the RMs [rural municipalities]. I'm not sure exactly what the number the RMs, but I think they were talking about 200 of the 297 RMs have a beaver problem.

Mr. Belanger: — Right. And that's one of the reasons why I'm asking. I wouldn't mind knowing how these beavers are harvested. Because it's one thing to say, okay we've gotten 71,000 coyotes off the way from bothering the herd. You know, we've got the damage to the crop as a result of the deer population. Now we have this beaver population problem. Now it would be nice to know how they're harvested. Are they shot? Are they trapped?

Hon. Mr. Bjornerud: — We will know that once SARM has set the program up. And we'll certainly know the numbers they've harvested because they'll be funding with the RMs, I would think probably a joint effort with the RMs out there. But as you know, those dollars go out, then we'll have an exact number, just as we did in the coyote program, of how many of the program that we're taking part in now. There may be trappers out there taking them outside of what we're doing right now. And you know, maybe Environment would have access to that, but we wouldn't through our program.

Mr. Belanger: — Yes. The reason why I'm asking is that the Trappers Association is both southern and northern, and they obviously would have some interest what's happening with this beaver population. And they want to obviously be part of the solution because as I mentioned they're problematic in the North as well as the South. And it'd be nice to know what's happening with all these carcasses.

And I just want to clarify: this is not the first year that we're having the beaver control issue, but this is the first year that you're taking care of it under your wing. So there's been previous years that you've looked at the beaver population control measure.

Hon. Mr. Bjornerud: — Some RMs have had their own bounty for a number of years out there when they've had a problem. This is the first year that we'll be putting dollars in to assist with SARM, or partner with SARM — let's put it that way — for a program.

Mr. Belanger: — Okay, and there's no figure as to what you offer per beaver.

Hon. Mr. Bjornerud: — No, that's up to . . . We give \$500,000 to SARM to design a program and how they best see

fit to deal with the problem. And I know they're working with a number of the RMs out there, maybe most of the ones that have, you know, called them and said we've got a real problem out here. I know, I think they had five resolutions at their convention from different areas of the province that there was a problem out there. So they'll be dealing with the RMs individually, I'm sure, to come together with the program — I think it's either out today or very soon it will be — to say what they're doing and how the program is designed.

Mr. Belanger: — So SARM could actually have different ways, radically different way from one RM to another, and it really doesn't concern the ministry. It is basically saying, here's 500,000, SARM; do with it what you wish. If you have different ways of harvesting the animals in different RMs because they have different styles, we really don't care how it's done, but here's the money. Is that generally how you approach it?

Hon. Mr. Bjornerud: — It's to assist them with the program. I would think though, in talking to SARM, I think it'll be a very consistent program across all of the RMs out there. I don't think you'll see much difference. I don't know that, as they design the program, because I think they deal with the different RMs. And I think, you know, they'll work what's best for the RMs. But I think you'll see a pretty constant program right through every RM out there.

Mr. Belanger: — Yes, there's no question that the problems with beavers and damming up the rivers and flooding, it is a serious issue. And it's as serious as it is in the North as it is certainly at a greater magnitude in the South. But it would be really nice to know what's happening with all these beavers that are being harvested. Like what are they doing with them? It would be absolutely important, because as I mentioned, my colleague from Cumberland was modelling a couple of beaver hats. It actually looked pretty good on him. So if you've got about 500 beaver pelts laying in some RM's waste site, let us know. Maybe we'll pick them up.

The thing that's important, I think, is that I would assume that, putting all kidding aside, I would assume that this is done as humanely as possible because you know that there's always opinions out there from, whether it's PETA [People for the Ethical Treatment of Animals] or whether it's a number of international groups, that we want to see fair harvesting. Because the northern people were actually really criticized many, many years ago about how they harvested animals, how they trapped animals. And that's why we take such an interest in this as to what SARM and the province is doing to control this because there was a lot of — especially from the European community — there was a lot of concentrated effort to kill off the fur industry, which in essence affected many of our northern economies. So just making sure that, you know, what's good for the goose is good for the gander, so to speak. And that this is done as humanely as possible and that we're maximizing the harvesting of these animals as best we can to see some value returned to either a community or a people or a region. And that's why the interest is there.

I also want to get back to a bit about the history for the three northern farms because we do have a lot of, a lot of interest in what happened to these farms over the years. I know it was

roughly 1989 or 1990 that the three northern farms of Green Lake, Ile-a-la-Crosse, and Cumberland House where the operations basically were ceased. And the bigger, the bigger farm was Green Lake. They had both a central farm and the Silver Lake Farm. And of course, Ile-a-la-Crosse and Cumberland House were relatively, much smaller than the one at Green Lake.

But certainly, these pieces of land were actually transferred to each of the communities. Have any of these communities recently expressed any interest in looking at any continued or resuming some of the farm or cow-calf operations that they may have had?

Hon. Mr. Bjornerud: — You can probably just stick with, I'll try and find out for you. I'm not sure if we do or not.

Just might add that Fred has talked to us on a number of occasions from Green Lake, a very good guy up there. That's the only one that we'd know how, that has you know, talked to us at all about the operations that they have going there right now.

Mr. Belanger: — Now I realize that the cow-calf industry is seeing a lot of the declining numbers, which is an alarming number, and the pork industry. And despite being northern MLAs [Member of the Legislative Assembly], we pay a lot of attention to that stuff because there is a farming economy in the North. Whether you mention the three farms or really talk about wild rice, there is a lot of impact there as well. So when I've asked our leader, we asked our leaders if we can spend some time on some of the northern agricultural issues, he graciously gave us some time here. So I certainly want to thank him.

The reason why I'm asking is that there is no programs right now for those three areas that could help with any kind of farm operations, whether it's cow-calf or whether it's producing, I guess you'd say hay for feed, whether it's pasturing some other cattle from, a good example, Meadow Lake pastures, a lot of cattle from, or in Green Lake. Is there any kind of support mechanisms for those communities to look at resuming some form of agricultural activity in those farm lands?

Hon. Mr. Bjornerud: — Well they would have the opportunity to take part in any program that we have. I mean, they're certainly not excluded up there. In fact we would look forward to them having that same opportunity as every other producer. With some of our farm, our specialists that we have out there, we would certainly welcome the opportunity to work with them if we could be of any assistance at all. And I'm not sure, you know, maybe we can, maybe we can't. But if they, if they're interested at all, just get them to get a hold of one of our offices, one of our regional offices — maybe at P.A. or somewhere; Tisdale, up in that area — and we'll try and provide any help that we can. Certainly.

Mr. Belanger: — Yes, and the reason why I'm saying is we're seeing the farm land value going up, you know. And obviously we continue seeing some of the commodity prices moving in the right direction, not as quick as we'd like. But it's also a lot of corresponding costs.

But I would point out that I think that in particular interest of

course is Green Lake. Ile-a-la-Crosse, Cumberland House they may have plans as well. I'm not totally familiar with their plans, but Green Lake certainly has very good quality of soil. And the premise that I think that they undertook some of the agricultural land over is because agricultural land should be very valuable. I know a lot of farm families have big farms and they're wealthy. The communities look at ownership of land as also a wealth objective, right? But it's hard to create wealth if the land is not being used properly despite its richness.

So in Green Lake I think the reasoning again they're having so much interest from the mayor there, Fred McCallum, is I think he appreciates the fact that if you start utilizing the chunk of land that they received — and it's a fair chunk of land — that land could increase tenfold in value. So that creates an economic opportunity for his community.

And that's why today, you know, I talk about trying to put some investment into those northern communities. And particularly Green Lake, they have really good, rich soil, very good. And they have a great big chunk of land as well. I think it's the biggest farm in the North. And they're also after ten townships of land under their Métis settlement issue. That's an ongoing battle, of course. And I know they're quite interested in doing something, so that's the reason why I'm asking.

Has there been any effort to connect with Green Lake to make them aware that these are the farm programs that are available, therefore their farm land becomes more productive and they become richer in terms of land value and able to translate then to an economic opportunity for their community? So it's really an important issue for them, and that's why I'm asking these questions this evening.

[20:45]

Hon. Mr. Bjornerud: — We've certainly talked to Fred, as I said, before. I don't think we've had contact with others from the different areas up there. But certainly — and I know Fred knows this — if there's anything we can do to help, come and get hold of us and we'll certainly work with him because I think it's as valuable up north as it is down south here to us, whether it's cattle numbers or whatever the situation or whatever the type of agriculture that may be promoted up there. I mean, that's why programs are in place and, you know, if we can help even through our business management specialists and livestock specialists, anything like that.

I know that's really how the rice program got off the ground. I know crop insurance had . . . I believe Colleen went up there, Colleen Rooney went up there. They designed the program to work with the producers up there and that's how that got off the ground. And I mean, there's any of our specialists we would certainly welcome the opportunity to work with Fred or any of the others up there that might be wanting that kind of assistance.

Mr. Belanger: — Yes. I have two or three more questions, then I'm done. The very quick point in terms of the Green Lake operation in general is that I know that they've thought this thing through. They see all this valuable land, and it is valuable. When I drive from Ile-a-la-Crosse to come to work here and I hit the Green Lake farm, I know that not only have they got the

Central Farm allocation, but they've also got the Silver Lake farm, which is closer to Meadow Lake. But both those pieces of land are quite valuable. And I know when we tried to transfer the land over, as a government, from Central Farm, that there was some other group that the land was sold to — I think almost illegally.

That matter, that legal matter has since been gone, I'm assuming. Are you aware of any overhanging legal ramifications as a result of the previous government? I think it was, Grant Devine was the premier when they sold Silver Lake when they had no right to sell Silver Lake, and then the owners were out of P.A., I believe, and they never asked the community. So there was kind of a court case. I'm not sure court case, but there was a lot of arguments back and forth. And I think finally Green Lake got it, but I'm not sure whether the province was sued by the previous owners or the new owners that purchased it off the government and whether there's still a hangover from that. Or is all that gone?

Hon. Mr. Bjornerud: — I don't think anybody here remembers the situation. You must go back a number of years since that happened. But I don't think anybody here seems to be aware of any situation right now.

Mr. Belanger: — Could you find that out? Because I'm sure Green Lake will say no, it's our property now. Because I remember them receiving the Silver Lake and Central Farm at different times from the previous NDP administration. And that there was this one little complicating problem, is the previous government sold Silver Lake to somebody else when they shouldn't have done that. And I'm not sure whether they refunded their money. So I wouldn't mind getting a history of that.

The last question I have in terms of the pilot project on beaver control, as I mentioned to you, I doubt very much if SARM's going to pay any attention to the northern beaver issue, that they obviously have their priorities and, you know, you might as well say that their concentration is not going to be that of northern Saskatchewan. If that's the case, would the minister entertain adding additional dollars to the process to have us look at a couple of pilot projects, one in Cumberland and one in Athabasca, to see if they can clean up the beaver control problem in some of the major rivers that affect wild rice as well as trapping and commercial fishing? Because those are all kind of our mixed kind of economy, mixed farming operations if you will, that impact many families.

Hon. Mr. Bjornerud: — Well we would certainly look at it. I think to a little bit of degree we're getting out of our jurisdiction when Environment would probably be the one that would be more directly involved. Now if it was directly the rice producers, then I guess it would certainly affect us. But we would have a look at it, certainly.

Mr. Belanger: — Okay, Mr. Chairman. That's all we have from the northern agricultural sector.

The Chair: — Thank you, Mr. Belanger. I take it there are more questions. We would customarily take a 10-minute break midway through our evening so I think this is about that point. If that suits members, I'd ask members to be back in our chairs

by 9 o'clock to resume.

[The committee recessed for a period of time.]

The Chair: — Thank you, members. I see we're all back. Are we ready to resume with questioning? Mr. Lingenfelter.

Mr. Lingenfelter: — Thank you very much, Mr. Chairman. I want to talk for a moment about the insurance program that Alberta has and whether or not there have been discussions between the department here in Saskatchewan, Alberta, and Manitoba about a Western insurance program. Or are we looking at modelling a program after Alberta or is there discussion going on about doing a program that would cover off Western Canada at this point in time?

Hon. Mr. Bjornerud: — Are you talking crop insurance now?

Mr. Lingenfelter: — For cattle.

Hon. Mr. Bjornerud: — Oh, livestock insurance. Yes, we have. In fact we have continual conversations with Manitoba and Alberta, and actually at the federal table even, that subject has come up on a number of occasions. I guess one of the things we're getting a bit of a mixed reaction from producers in Saskatchewan, of course as you know, Alberta they spend dollars on the administrative part of the program, but that's the maximum that they put into that program. It's all producers' premiums that fund that program.

And a lot of the producers that I've talked to or a number of the producers that I've talked to like the concept of a price insurance program of some kind. They're not totally sure what it is, but I think a number of them feel that if it's strictly like Alberta has it, they probably aren't as interested. And that's really where we're at, at this point.

You know, there's some that would feel we should go that way. There's others say that probably if it was just like Alberta's program and it wasn't federally funded in any way, and that's not on the table yet, probably that's not where they want to go. We're certainly working continually with our industry, with the cattle association, the Saskatchewan cattle association and the Stock Growers and organizations like that, but to date there's nothing really concrete on the table to put forward.

Mr. Lingenfelter: — Is the working committee that is looking at this, is it just the organizations or do you have another special committee, a ministerial committee that's reviewing this plan or concept?

Hon. Mr. Bjornerud: — Well I know Nithi has worked with Alberta. Of course he's from Alberta and, you know, very familiar with what they've done up to this point and that, but he's also talked to Manitoba. And I know we've talked to Minister Struthers on the issue. And, you know, they're interested, but again I don't think Manitoba is looking at putting any dollars other than maybe some administrative dollars into a program right now. And as I said before, some producers think maybe we should, you know, more seriously look at it; and others are saying if that's all it is, they probably aren't that interested.

Mr. Lingenfelter: — And is there a number that we could put out if we were to announce a program similar to Alberta that it would cost the producer and the provincial component? Have we gone that far down the road that we'd be able to know that?

Mr. Govindasamy: — My name is Nithi Govindasamy. I'm the associate deputy minister for Agriculture. We've been having continuous conversations with the other provinces that either have some programs now for cattle price insurance or those who are thinking about insurance types of programs. And while we are familiar with how the programs run in Alberta, for example, we've not done any extensive assessments or calculations on what that might look like in Saskatchewan. We're looking at the experiences in Alberta and the participation rates and the types of premiums, etc. That's the stage at which we are at. We're also having conversations across the country at the federal-provincial level in terms of a national approach to cattle price insurance specifically.

Mr. Lingenfelter: — In terms of Quebec and Ontario, don't they have programs that are insurance programs for beef in Ontario or Quebec? And isn't there already federal money in some of those programs?

Mr. Govindasamy: — My understanding is that in Ontario they've had a cost of production type of a program for the grains sector. And very recently, in the last month or so at the provincial level, they have announced an expansion of that program to include the livestock sector. But my understanding also is that it's a provincially funded program that has no participation from the federal government.

In the case of Quebec, they have one large program called ASRA [farm income stabilization insurance program] which is more a cost of production, revenue insurance type of program and that's primarily a provincially funded program.

Mr. Lingenfelter: — But is there federal money in the Quebec program? Because I hear different stories, but I have heard that Quebec does get federal funding although with the negotiations and the funding arrangements, I know it is different with Quebec. But isn't there federal money in the Quebec program for beef producers?

Mr. Govindasamy: — My understanding is that the approach that Quebec has taken overall in terms of support for agriculture is along the lines of negotiating block funding with the federal government for a whole series of programs. I'm not familiar with what level of programming that the federal government might be involved in with respect to dollars on insurance types of programs in Quebec.

Mr. Lingenfelter: — The reason I'm asking, and of course it's not totally relevant, but it is relevant because if there are provinces in Canada that are getting federal dollars in support, then I think it strengthens Saskatchewan's position and other Western provinces in arguing for this similar kind of support for our beef program.

If we were to set up a similar program to Alberta, what would the premium be to get the kind of insurance they have in Alberta in our program? Do you know what that formula would mean in terms of a premium, under the present formula where

the producer and the provincial government go it alone?

Mr. Govindasamy: — At this point in time, we have not done the sort of detailed analysis and assessment to be able to determine what kinds of premiums might be. What we do know is that the manner in which the Alberta program is actually being put out there, there are certain variables that are covered. And so we are familiar with what Alberta is doing. But we have not done the kinds of assessments for Saskatchewan to be able to determine what premiums level might be for the same types of products that Alberta's offering.

Mr. Lingenfelter: — But would Alberta's premium be about 20 to \$30 a head, do you know, per year?

Mr. Govindasamy: — My understanding is that it's in that region.

Mr. Lingenfelter: — Another issue that is concerning a lot of environmentalists on the farm right now are the use of grain storage bags. It's not only environmentalists but many farmers who are environmentalists as well. But I know the provincial government has announced a program to help do research or look for alternatives of how to recycle. Can you give me an explanation of how that program is intended to work?

Mr. Govindasamy: — I'm going to ask my colleague for help on that one.

Mr. Lingenfelter: — Okay.

Hon. Mr. Bjornerud: — We have the six sites going to be set up. We're working through PCAB [Provincial Council of Agriculture Development and Diversification Boards] on what we announced here just lately — \$150,000 we put towards a recycling project for grain bags. I think it was something that a number of RMs and producers had asked: well how are we going to deal with a number of grain bags? I think last fall we probably saw more grain bags being utilized than we've ever seen in the past.

So we're going to have six sites across the province. There may be pickups outside of those six sites, but I think it's a start. And it's a pilot project to see how this would work. And I think maybe Rick can elaborate a bit on this, but I think right now they will be hauled to Calgary to be disposed of.

But that PCAB will be setting this up with the different sites that they choose across the province. And I think they've talked about when they pick those sites then they may go out from there and gather up, you know, used grain bags across the province.

Mr. Lingenfelter: — What percentage of grain is stored in these plastic containers or grain bags? Do we know what . . .

Hon. Mr. Bjornerud: — I don't think we have any way of knowing at this point because it varies probably from year to year and area to area.

Mr. Lingenfelter: — And is it . . . These bags can't be reused. They're a one-time event, and when they're emptied they have to completely be recycled. Is that accurate?

Hon. Mr. Bjornerud: — Well I saw some that have said they can use them for maybe up to two or three years. But I know in my local area, they use them one year, and that's really all that they get out of them. So I think the possibility is possibly there, maybe with the new types that they're coming out with may be longer than that. But I think the general practice at this point is probably one year.

Mr. Lingenfelter: — The manufacturer of the equipment . . . There are manufacturers in the province, or do they all come in from outside?

Mr. Burton: — I don't know where they all come from. The manufacturing of the grain bags?

Mr. Lingenfelter: — Yes. Well the machine, both the bags and the machine that's used to blow the grain in.

Mr. Burton: — Certainly there's the . . . For the loading of the grain bags and unloading of the grain bags, that machine, there is a, that's manufactured in the province and some outside of the province as well.

Mr. Lingenfelter: — I guess the one thing that is of interest to all Saskatchewan people is that we come to a resolve of how to recycle these bags, so anything that the department and government can do to give assistance to farmers in that area I think is very, very important.

Having said that, I think one has to be a little bit careful that other farmers who are using other systems of grain storage don't feel that their tax dollars are being used to subsidize other farmers. So it's a bit of a dozen of one and the other, how we go about doing that. But I just think the recycling of these bags, if we're going to be using them, is very important to the community and to all people in the province.

Hon. Mr. Bjornerud: — I think that's a good point, and that's why it's a pilot project. We want to see how, you know, how well this works right out of the chute here. But also down the road, you know, maybe it's something we have to look at whether the companies selling the grain bags and that, there's a fee put on them. I think we're, you know, open to that. But I think we want to see how this program's utilized to start with and how well it works.

Mr. Lingenfelter: — One of the issues that is being talked about a lot right now in the federal election of course but has huge impact for the provinces, the role of the Canadian Wheat Board in the province of Saskatchewan. And I wanted to know whether or not the department and the minister have taken a position with the various political parties. And I know the Premier has said that he wasn't going to inject himself into the debate in any way and then later commented on carbon sequestration, which I'm not arguing that he should or shouldn't.

But I just wondered, at this point in time has the provincial government, with their colleagues in Ottawa or any of the political parties, taken a position of whether there is support for the Canadian Wheat Board or whether there is pressure from this government to make changes to the Canadian Wheat Board? Is there any public position that you've taken?

Hon. Mr. Bjornerud: — Mr. Chair, the answer to that is no, we haven't. And I think we've been quite flexible tonight on where we go with the debate that's going on here tonight. And I just want to remind the member, and to the Chair, that we're here to talk about '11-12 budget, and we would answer questions on that. And I think we've been fairly lenient to this point, but I think now we'll go back right to the budget.

Mr. Lingenfelter: — I don't think I've moved off of the topic either. And I'm going to ask you whether or not you've had any meetings in the past year and plan any meetings in the coming year with the Canadian Wheat Board, or whether, during your appointment as minister, you've had meaningful discussions with the Canadian Wheat Board.

Hon. Mr. Bjornerud: — Well I've had meetings with the Canadian Wheat Board in the past. But as I said, Mr. Chair, I think we've been very flexible to this point, and I think we're going to go back to the budget estimates that we're here to talk about tonight. And I've looked through this a number of times, and I don't see the Canadian Wheat Board anywhere involved in these estimates, and we won't be answering any more questions on that.

The Chair: — I think the minister has a good point, members. We'll stick to budget items, please, during these estimates.

Mr. Lingenfelter: — I just wanted to ask one question. If the minister would give the committee the dates of the meetings that he's had with the Canadian Wheat Board, the places where they've taken place and . . . I mean he can or can't, but why wouldn't you want to? Why wouldn't you want to discuss the Canadian Wheat Board?

The Chair: — Ms. Wilson.

Ms. Wilson: — Point of order. I believe the minister has answered the question.

The Chair: — Very well.

Mr. Taylor: — Well thank you. Just to comment on the point of order. I'm not here to engage in debate, but obviously from my perspective here, questions that relate to meetings that the minister may have had are directly funded by the allocation of dollars within the budget. Certainly federal-provincial relations are a part of the minister's portfolio and, while he may not wish to make specific comments on an issue, questions related to meetings that have taken place and that sort of thing should certainly be ruled in order.

[21:15]

The Chair: — Thank you, Mr. Taylor. I would have to say that the minister has made it clear that he's not interested in answering questions on the Canadian Wheat Board in these estimates. The questions are supposed to stick more or less to the 2011-2012 budget. And if the minister wishes to answer questions outside of the parameters of the 2011-2012 budget, he certainly may. But if he doesn't wish to, that's certainly beyond the bounds of estimates to seek answers to questions of that nature.

Mr. Lingenfelter: — The minister may want to tell me because I think it's very important for us to know what the Minister of Agriculture discussions with the federal government are around the Canadian Wheat Board. It's pretty fundamental in the coming year to farmers in the province. It's the biggest debate going on in rural Saskatchewan around the federal election. The minister, being the representative for all farmers in the province — those who are in favour of the Canadian Wheat Board and those opposed to the Canadian Wheat Board — obviously has an important role to play in the coming year.

We have, as the chairman knows, a Member of Parliament by the name of David Anderson who is absolutely committed, if re-elected, to pushing the abolishment of the Canadian Wheat Board. That's pretty important to this committee. Now you can shut the questions around the Canadian Wheat Board down if you want, and we can talk about gophers and beavers if you want, but the relevancy of the Canadian Wheat Board is very fundamental to your farm and to mine and to the Saskatchewan producers.

And I can't imagine the ag committee doing the estimates of the Saskatchewan Department of Agriculture where you would have a minister or a chairperson of a committee that refused to ask questions about the Canadian Wheat Board. That doesn't make any sense. It's an organization that is known all around the world. We export 60 per cent of all the grains exported from Canada. If you're saying we can talk about gophers and all these things that are hugely important but we can't talk about the Canadian Wheat Board, then obviously this is an extension of what's going on in Ottawa where we can't talk about issues that are relevant to the farmers of Saskatchewan.

So I want to ask again whether, in the coming year within this budget period, there's any lobbying of the federal government one way or the other to either dismantle the Canadian Wheat Board or support the Canadian Wheat Board. Again you can refuse to answer it, but it's perfectly a legitimate question for this committee.

Ms. Wilson: — Mr. Chairman, point of order.

The Chair: — Ms. Wilson.

Ms. Wilson: — The minister has already stated his position.

The Chair: — Any response to the point of order?

Ms. Morin: — I'll respond to the point of order. Mr. Chairperson and other fellow colleagues, the minister's duties as a minister are carried out on behalf of the taxpayers of Saskatchewan. And the last time I checked, the costs that come with those duties in terms of visiting Ottawa, contacting Ottawa, and lobbying Ottawa also come at the taxpayers of Saskatchewan's cost as well.

So when one is asking questions about matters that are of importance to Saskatchewan farmers and the agricultural industry of Saskatchewan, I think it's incumbent upon the minister to allow the people of Saskatchewan to know exactly what is happening in the minister's role on behalf of the people of Saskatchewan. And as the member said, whether that is to lobby for or against the Canadian Wheat Board, that's for the

taxpayers of Saskatchewan to know, and it's for the agricultural producers of Saskatchewan to know, especially given that that is coming at the cost of the taxpayers of Saskatchewan, which then would be funded out of the budget, which is exactly what we're talking about at this point in time.

The Chair: — Thank you. Any response to that point of order from the government side?

Hon. Mr. Hickie: — Yes, Mr. Chair. I would have to take some agreement. Being a minister, I understand there's travel. I mean, you were all there before too.

I think the minister has been very clear in his statements, though, in answering tonight's questions and that. If you wanted to ask questions as to a line item pertaining to maybe a travel allocation or administrative services costs under the ministry that would pay for those kind of trips, I guess that would be in line. Whether or not the minister wishes to answer that and pertain to specific conversations he may have had with any officials on those trips in the past, we're talking about this year's budget items. So I guess that's all I want to add to that.

The Chair: — Yes. Well thank you, Mr. Hickie. You know, I've been through the Agriculture, vote 1 portion of the Estimates book, and the Canadian Wheat Board does not come up in that document at all. If the minister wishes to answer questions as to what taxpayers' dollars have been spent lobbying Ottawa on behalf of the Wheat Board or against the Wheat Board, he may. If not, let's move on to a line of questioning that is dealt with in the Estimates book with the 2011-2012 budget. Minister.

Hon. Mr. Bjornerud: — Well first of all, Mr. Chair, I certainly don't need no lessons of what my job is as Ag minister from the members of the opposition. I was around for 12 of those years when they were in government, and I saw exactly what the Leader of the Opposition and the members opposite did to agriculture. I farmed out there in this province also when they were in government, and I saw the cuts that they made to programs.

So if the member wants to raise his voice and talk about the Canadian Wheat Board, maybe we should go back and talk about the record of the NDP and how dismal that was for the last 16 years when they were in government, when that member, the Leader of the Opposition, was actually deputy premier and was in a position of power to help people in rural Saskatchewan. And I find it amazing that all of a sudden now he's in opposition — he's Leader of the Opposition — and he has this new-found care for rural Saskatchewan. Where on earth was that for the 10 years he was deputy premier when he was in a position to actually do something for producers?

He talked about spot loss hail tonight, Mr. Chair. Their government cut it twice, and I'm supposed to reinstate it. Isn't that a little bit hypocritical? And I saw on a number of occasions where they cut the GRIP [gross revenue insurance program] program. They cut other funding to municipalities. We've changed a lot of that. The education tax on farm land is one of the ones that comes to my mind first that's helped producers across this province.

So the last thing I need is a lesson from the NDP members in this committee. And I won't be talking about the Canadian Wheat Board because it's under federal jurisdiction. If you find something in this Estimates book you want to talk about, I'll answer the questions. Other than that, this is going to be a long last hour and so many minutes.

Mr. Lingenfelter: — Yes, the minister will know that there are a lot of farmers who are not impressed with his management of the flooded area last year. So I want to talk about that for a little while. First of all, during the flooding that occurred last year, we travelled extensively in the area that he represents, in the very area he represents. Ten million acres of land that was either flooded or had no crop, and very little done to help those farmers. Let me tell you that.

If the minister thinks he's the wonderful hero of farmers in Saskatchewan, which he's trying to talk about here tonight, and what a terrible job the NDP did, he doesn't know his constituents very well because there is a lot of hurt in that area of the province. There's a lot of hurt because these farmers went without a crop last year. They went without a crop, and they're being told that they couldn't get the \$150 an acre that they needed on that flooded acreage because the government didn't have any money.

Yes, they did come up with \$12 an acre. That's what the provincial government put into the \$30 an acre. And thank you very much for the \$12 an acre. But the farmers were asking for \$150 per acre. That was what they believed they lost.

Now I don't argue that the government doesn't have the right to give whatever amount. They didn't have to give any. And \$12 an acre was paltry when it comes to the amount of revenue that you have in the budget. The budget in Saskatchewan has gone from 7.8 billion to almost \$11 billion this year. There is money in this province and a lot of money.

But the problem is, is that the rich in this province are becoming fabulously rich, and the working people and farmers who are doing the heavy lifting are getting a very, very small amount of that money. And that's why many families, including farm families, may not agree with you. They may not agree with myself either that I was the best minister.

But let me tell you this. There are many farm families in this province who are suffering a great deal as they plan their spring seeding who think you're failing them and this government is failing them. There are many working people in rural Saskatchewan who also think that you are failing them because they see people like Bill Doyle getting hundreds of millions of dollars directly from our potash and the minister who sits around the cabinet table as Minister of Agriculture, defending what the government is saying, that they can't take another penny from the potash corporations of this province. And that just isn't accurate, at the very time that you're saying to farmers in the flood area that they have to pay in some cases up to 50 per cent increase for crop insurance that the reason you have to do it because you have no money. There isn't another penny around. You can't take anything more from our potash. And the farmers and families in this province are saying that just isn't accurate.

Now you can raise your voice and say what a terrible job I did as minister, but I just want to reiterate that farm families in this province deserve better. And I'm talking mainly in the flood area, in the areas that you represent. And we're going to be doing a lot of travelling in the next while there and up in the Prince Albert area where a lot of farmers are going to be suffering and not getting their crop seeded because of the snowmelt and the late spring. And all I'm saying to you is that if we want to get into this debate rather than answer questions about things like the Canadian Wheat Board that's very relevant to farmers, that we can have a discussion about who's doing the best job, although I don't know where that gets us.

But believe me, when it comes to spot loss hail you're the government that paid for through the ... using taxpayers' money, commissioned a study to find out whether or not farmers want crop insurance to include spot loss hail. The study came back that they did want it and you refused to put it in. And you say well that's because you took it away.

Well look, if it's a problem and the farmers want it and you have money, what difference does it make what we did? We lost the election. Using your argument, you're saying well we're going to do the same thing as you folks did. My point is, is that we come to this committee to talk about important issues like spot loss hail where there were commitments made, and I can go back and hear many speeches where your members in the House before the 2007 election argued that any government in its right mind would put back spot loss hail. Now the farmers say, well we elected you; why can't we have that? And the farmers who are in the flood areas say, look, there's a lot of money in this province. We see and the farmers who are in the flood areas say, look, there's a lot of money in this province. We see CEOs [chief executive officer] and the head of health organizations getting 20 per cent increase in their salary, and they're already making 300,000 a year. And the government only has \$12 per acre for farmers who are flooded out, and that's just not fair.

So we can spend the evening talking about, back and forth, about the failings of various governments, or we can talk about issues that are relevant like the Canadian Wheat Board and whether or not this government, Department of Agriculture, in the coming year is going to be doing anything to show its support for the Canadian Wheat Board or whether you are doing things to undermine the Canadian Wheat Board. I think that's a very relevant question to the government that manages the largest percentage of Canadian Wheat Board grain that's being exported from this province. If that isn't relevant, then I'm not sure what is. But for sure, I'm going to talk about the Canadian Wheat Board in this committee as part of my comments because the Canadian Wheat Board and the support from the provincial government is a very, very serious issue in this province.

And I just want to ask the minister again whether or not in the coming year he plans to lobby the federal government on the issue of the Canadian Wheat Board — same as we asked about crop insurance — whether or not we're going to be lobbying for money for beef producers within your mandate as Minister of Agriculture. I think it's absolutely a legitimate question to ask.

The Chair: — The member is certainly free to ask about the

Canadian Wheat Board or anything else that he wants to. If it's not a matter that falls under this vote in estimates, it's a matter for the minister to either answer the question or decline to answer the question. Minister.

Hon. Mr. Bjornerud: — Well thank you, Mr. Chair. Well just to address part of the comments made by the Leader of the Opposition, I guess he finds \$700 million in payouts through excess moisture program, unseeded acres, and things like that through crop insurance as a pittance, I guess.

The only thing I would notice is that's far more than any of his previous years or his government's years dealing with agriculture in this province. What comes to mind right very quickly is 2005, 2006, and 2007 where they also had flooding up in the Northeast, where only one of those three years . . . And that was \$10 per acre that the provincial government put in and that was \$15 million. The payouts this year were \$700 million in total for these programs. For 2005 and 2007, the provincial government didn't cost share when the federal government did put dollars into those areas and the wet areas of the province. They didn't see fit or didn't have the initiative or the foresight to put dollars into that program.

[21:30]

I also would like to remind the member for the drought that was in the Southwest for 2003, I believe, to right through to 2007 before it started to, the drought was actually started to be relieved by rain in that area. And not one thing was done for those farmers out in that area. Now no crop insurance premiums were wrote down, as he suggested earlier we should be doing in the Northeast; nothing to that degree. We did the 700 million, like I talked about before, Mr. Chair. We've done the feed and forage program for producers out there to buy feed. We've made changes to the crop insurance program that were asked by producers across this province. So, Mr. Chair, as I said before, I don't think we need any lessons from the NDP when it comes to rural Saskatchewan.

The last time I looked, we represent every seat in rural Saskatchewan, and I'll bet a lot of dollars that we will be representing every one of them after the next election. And I don't think, you know, the little bit that the Leader of the Opposition is running around trying to say he has really these heartfelt feelings for farmers in rural Saskatchewan is very genuine, when producers were out there through all the years of, 16 years of an NDP government, where we either were probably been better off if we'd been totally ignored because then they wouldn't have maybe cut some of the programming that we had out there or downloaded onto municipalities or downloaded education tax onto the backs of farmers out there on ag land to pay for education. So the number of those things are the record of the member opposite.

Now I know he was only Ag minister for a short period of time, but what I do remember is one of the things in his legacy was there was a hunger strike in this very building under his watch as Ag minister. So do I need lessons from that member in how to be Ag minister and how to work with producers across this province? I don't think so.

I'll put my record and our record of the Saskatchewan Party

government against his party and his previous government any day of the week. And I think that will happen in November 7th of this upcoming fall. We'll see exactly what farmers across this province think of the Sask Party government and how well they remember the record of the NDP for a number of years in this province, where they really didn't care whether agriculture survived or didn't survive in Saskatchewan.

Mr. Lingenfelter: — The minister talks about the period in 1999 during the drought, but I also remember the response of the federal government and the provincial government of the day was to put together a \$1 billion package for farmers.

I might remind the minister, too, when he takes credit for the \$700 million to farmers out of crop insurance, that had nothing to do with him. That had to do with an insurance program. That's like the minister taking credit for getting fire insurance on your house because somebody has bought a premium for fire insurance. What you did and the decision the minister made was \$12 per acre. That's the additional money that was put in by this provincial government.

So don't try to take credit for the premium that the farmers paid and the insurance they bought. That's a little rich. That's a little rich for you to sit there and say, that I'm going to take credit for the fact that farmers bought insurance, that doesn't make sense. I just say to you that the program that you put in place and your government put in place to help flooded farmers amounted to \$12 per acre. That's what it was. Let's get that straight, that it wasn't 750 million. You might be referring to Bill Doyle's share options. Maybe that's what you're referring to, where one individual gets half a billion dollars in share options. But I just want to say to you that if you want to be critical . . .

The Chair: — Mr. Hickie.

Hon. Mr. Hickie: — Thank you, Mr. Chair, and with all due respect to the Leader of the Opposition, I know that you've brought up Mr. Doyle's name here a couple of times. I don't believe that with respect to Mr. Doyle as well that his name should be brought up in this particular estimates. We're talking about agriculture. Potash is a critical point to be sure in agriculture and for producers in the production and the use of fertilizer. But to reference royalties or a particular interest you may have or the NDP has in a particular CEO and royalties, that would be appropriate then to take your concerns to the Minister of Finance's estimates, not the Minister of Agriculture in my opinion, Mr. Chair.

The Chair: — Any response from the point of order? Mr. Taylor.

Mr. Taylor: — Yes, to respond to the point of order. I don't recognize any point of order here, Mr. Chair. The member from Prince Albert is engaging in debate, commenting on comments that a member might be making to set up a question. There's no point of order here, and I ask you just to, I ask you, Mr. Chair, to let the questioning continue.

The Chair: — Well you know, had the question been asked around the potash piece, I would have ruled that the point of order was well taken. However it didn't quite get to that point. I will say this though, that the level of personal attacks in this

committee is well beyond the limits that I normally allow, and we're not going to tolerate it any longer. From now on all questions will be asked and answered through the Chair. Proceed with your question through the Chair, please.

Mr. Lingenfelter: — My question relates to the issue around spending that might occur within the lines of the budget as it would relate to lobbying the federal government. And there's a lot of lobbying that goes on of the federal government. Whether it's carbon trade and sequestration, whether it's export issues around issues of open borders and other parts of the world, the Minister of Agriculture plays a very important role in dealing with the federal Minister of Agriculture, with the federal Minister of Trade, with the PMO's [Prime Minister's Office] office. At least I would expect he would. When it comes to dealing with agricultural policy and trade policy and with the Canadian Wheat Board, I would expect that any Minister of Agriculture in the province of Saskatchewan would meet on a regular basis with the Canadian Wheat Board.

And my question is, in the year under review, are there meetings planned or intended to take place? And is there a position of the provincial government, being paid for by the taxpayers of this province, related to lobbying for a position with the Canadian government on the importance and the role of the Canadian Wheat Board? That's a very, very legitimate question, whether I'm talking about trade with other countries, or trade with the United States, or lobbying the federal government on a program that affects Saskatchewan — namely, the Canadian Wheat Board.

And my question to the minister again is, are there any plans in place and studies being done within the Department of Agriculture to lobby the federal government one way or the other on the role of the Canadian Wheat Board as it affects the province of Saskatchewan and producers in the province?

The Chair: — Thank you for that question, member. As I've ruled in the past, if the matter in question is not part of the estimates, the minister can say so and either answer the question or decline to do so.

Hon. Mr. Bjornerud: — No comment, Mr. Chair.

Mr. Lingenfelter: — Well I would assume then that what we really . . . I mean, people will make up their own mind what that means. But I think that many producers in the middle of this campaign, where they're very interested in where the provincial government is going in its lobbying for or against the Canadian Wheat Board, will make up their own mind. But for my purposes, I just want to make it clear that the members of the opposition would hope that the government of Saskatchewan would be taking a strong position in support of the role of the Canadian Wheat Board.

And I'm not arguing that there doesn't need to be improvements. In our meeting with the Canadian Wheat Board — and we've had a number of them in the last two years and we plan more during this year — that when we meet with them, we talk about the role of the Canadian Wheat Board and changes that a New Democratic Party would like to see in terms of the role and importance and doing more as an organization to do value-added here in the province of Saskatchewan as

opposed to just being an exporter of grain to other parts of the world.

But having said that, if the minister refuses to engage in a debate about one of the most important institutions in the province of Saskatchewan, I find it an interesting position for the Minister of Agriculture to take. And I'll turn the floor over to one of my colleagues to ask a few questions.

Ms. Morin: — Thank you, Mr. Chair. I'd like to turn to the . . . Well actually let's go with a line of questioning that was already brought up in committee, and that is about the bounty programs that have existed in the past. I'm just wondering if the minister could comment on whether or not he feels that it was successful to have the coyote bounty program.

Hon. Mr. Bjornerud: — Well very much so. And I get my response from SARM and the RMs across the province, but especially from the livestock producers across the province who felt the program certainly alleviated some of the problems out there. There's still a lot of coyotes in the province, but having said that, we certainly aren't getting the calls that we had before we had the coyote program in place. So to a degree it has helped producers out there, I think, to that extent.

But I think also what comes into play here is the livestock predation program that we also have where — and they never had this before until we brought it in here a couple of years ago — is where producers get reimbursed for their livestock when they're killed by coyotes. Or whatever the situation is out there for any predator really, there's compensation for producers. And that's certainly something the producers have been asking for, for a long time, but as we have introduced here a year or two ago. And I think that's also gone over very good. So I think that's part and parcel along with the coyote program.

Ms. Morin: — What is the compensation for producers when livestock is killed? And what is the total cost of the program for the last fiscal year?

Hon. Mr. Bjornerud: — Well compensation of course varies on what livestock that we're talking about, whether it's calves, cattle, sheep, whatever the situation may be. It would vary. We'll get that number for you in a second here.

Mr. Jaques: — So till the end of March, the total number of claims on the livestock predation program was approximately 3,500, and we paid out approximately \$1.5 million.

Ms. Morin: — And can you give me an example of some of the compensation for specific types of animals, livestock?

Mr. Jaques: — As the minister indicated, the program covers any livestock that are on a farm. So calves, goats, sheep, horses — any animal that a producer raises.

Ms. Morin: — Right, but can you give me a dollar amount for some of the livestock that we're talking about?

Mr. Jaques: — Well it really depends on the animal that's been killed by a predator, whether it's a newborn animal or a full-grown animal. So for example a newborn calf is, we compensate \$400.

Ms. Morin: — Okay. And does the minister foresee any other bounty programs that are . . . like, is there consideration of any other bounty programs that are going to be introduced going forward that the minister might conceive?

Hon. Mr. Bjornerud: — Not at this time.

Ms. Morin: — Moving on to a line item, actually. When I look at the budget documents from, well the budget documents actually from 2007-2008 to 2011-2012, and we look at the line item, land management. I'm seeing some interesting things here. From 2007-2008, we saw that it was fairly stable. There was an increase of \$124 million over that budget cycle.

Then when one looks at the budget cycle from 2008-2009 and then 2009-2010, there is an increase of \$19.981 million — sorry, it was 124,000 in the previous budget cycle — \$19.981 million. And then when one looks further on, one can see that there is again, it's decreasing again. It comes from 2009-2010 to 2010-2011, there's a decrease of 14.353 million down to 9.718 million. And then in this budget cycle, there's a decrease again of 1.450 million to 8.268 million.

So the first obvious question I have is in the 2009-2010 budget: why was there such a blip of an increase of \$19.981 million?

Hon. Mr. Bjornerud: — I'm just trying to understand the question. Was this on the Crown land sale program that you're questioning on?

Ms. Morin: — This is on the summary of appropriation and expenses, so it's the land management umbrella for . . . umbrella line item, I should say.

Hon. Mr. Bjornerud: — Well, the discount come into play here where we had 10 per cent, 8 per cent. Eight per cent is where we are right now actually, in a discount for leaseholders to purchase the land that they have out there. I think where the dollars come into play here is that what that cost of that discount would be shows as a line item in here, and of course by your projections of what land you think will sell in the upcoming year. And of course that has varied a lot, depending on what the economy is out in the province or what grain prices are, what cattle prices are. And I think that all reflects in probably to a degree how much of this land sells. But that's why there's a variance in those numbers, why there's an up and down, depending on how much land leaseholders have purchased in the province.

[21:45]

Ms. Morin: — Okay. But again I guess let me just be more specific then because it falls directly under the Crown land sale incentive program, is where that blip comes in. So I'm wondering why there was such a blip in that particular budget cycle, which doesn't seem to exist in the previous budget cycles and the budget cycles now going forward. There's a serious increase since then. It was just that one budget cycle where there was a dramatic blip of, like I said, an increase of \$19.981 million.

Hon. Mr. Bjornerud: — Just give me a minute and we'll check here and get you the answer for that.

Ms. Koch: — Okay. Just to explain the difference. That first year that you're quoting where you mentioned the large, you know, the \$19 million and why the big difference, that was the first year of the Crown land sale incentive program that had the 10 per cent program announced. And so we had projected that we would see some very significant land sales based on uptake, interest in Crown land. You know, we were getting a lot of inquiries from lessees indicating they were interested in purchasing land, and so we based that year's budget on some projections that we put together in the ministry on what we thought would sell for that first year of the program.

However, it became pretty clear to us early on in the program that it takes some time for sales processes to take place based on, you know, the economy at the time, prices. We maybe didn't see quite the uptake that we may have expected, and so we've ramped down our expectations, also based on experience of the first year of the program. So that's why you've seen that large drop in the cost. Because had we sold more land, the incentive had a particular cost to it because we're providing that 10 per cent discount, so then when we actually saw the uptake then we had to ratchet back what we think the cost of the program is, based on our actual experience.

Ms. Morin: — Okay. So I'm assuming though this program was designed on the requests that came in to the ministry for purchase of land sales, and that that number that ended up in the budget document was based on those requests that had come in in terms of the requests for purchase for lands sales. So am I now to assume then that the requests that were coming into the Ministry of Agriculture were likely not for land that fell under the agricultural ministry but rather the Ministry of Environment, and that's why those land sales were then, the uptake wasn't there because they were not land that the Ministry of Agriculture had the ability to sell? Am I correct in assuming that?

Ms. Koch: — Well there was a combination of reasons why we didn't see the uptake in that first year of the program that we had expected. Part of it is just we had had a lot of interest expressed to us by lessees indicating that they were very interested in purchasing their land. But there's a lot of hoops that you have to go through in order to sell land. You have to check on sand and gravel, oil and gas, other interests on the land. And so we probably hadn't really estimated the amount of time that it takes to get through all of those hoops, so in fact we didn't see some of the sales actually conclude completely in that first year the way we had thought it would conclude.

Also there's no question that, you know, there was wildlife habitat protection that did have an impact on the availability of some of the land being available for sale. You know, that certainly was another factor, but it wasn't the only factor.

We also saw the initial interest was very high, but that was when commodity prices were quite strong, and so there was a lot of interest, for example, in some of the crop land that we had available or that we would have had eligible for sale that wasn't impacted by a lot of these other things. And then just based on the drop in commodity prices, some of that interest kind of waned for a while. We're seeing some of that recover again, you know, some of the unencumbered land.

But again it just takes some time to get through the sale process. In fact for example, basic things as raising title. In fact some Crown land hasn't even had title raised on it. And so we have to go through those different steps. It just has taken I think a longer time than we maybe originally projected. And now we're very confident in the numbers based on the projections we got in the last two budgets, based on what uptake we saw from the first year.

Ms. Morin: — So then I guess I'm going to look for some statistics. Hopefully you'll be able to provide those to us this evening. And that is, given that the projection of land sales caused this blip in terms of the land incentive program based on what one foresaw as the requests coming in, I'd like to know how many requests were made in 2008-2009 for land purchase and then going forward for every year, every budget cycle since then — so for 2008-2009, 2009-2010, 2010-2011, and 2011-2012 in terms of what you're now getting in as requests for the purchase of lands sales.

Ms. Koch: — Okay. I'm going to ask Wally Hoehn, the director of our lands branch, to cover some of the statistics. We may not be able to answer all of your questions specifically, but I believe we've got a lot of statistics available. So I'll turn it over to Wally.

Mr. Hoehn: — Thank you. Wally Hoehn, director of lands branch. We can't break it down by year. I can break it down by the total program, if that's okay. We've had about 4,600 inquiries from clients. We've received about 2,400 applications to purchase.

Ms. Morin: — And the 2,400 applications, sorry, was for what budget cycle?

Mr. Hoehn: — That's since the program started, November 8th. This is the program summary. I don't have the stats available for year by year.

Ms. Morin: — Okay, so November 8th. What year did the program start?

Mr. Hoehn: — 2008.

Ms. Morin: — Okay, so I'm assuming though that those numbers would be available and in a better breakdown in terms of the annual requests that came in and that information could be provided to the committee going forward?

Mr. Hoehn: — Yes.

Ms. Morin: — I look forward to that information. Thank you very much. I'm assuming then we do have some statistics for the requests for purchase of lands sales for the previous fiscal year. Would you have those numbers along?

Mr. Hoehn: — Today?

Ms. Morin: — Yes.

Mr. Hoehn: — No. This is just a total program summary.

Ms. Morin: — That's problematic in terms of the questions I

want to ask. Okay. Do you have the numbers for the amount of requests for lands sales that were previously protected under the legislation for *The Wildlife Habitat Protection Act*?

Mr. Hoehn: — Program-wise I can give you those numbers, yes. Out of the . . . There's been 7,821 quarters approximately.

Ms. Morin: — Okay. When you refer to program-wise, you can then answer the question, what exactly do you mean? So that's . . .

Mr. Hoehn: — That's since it started. Since the agricultural Crown land sale program started.

Ms. Morin: — Okay. So we're talking about 7,821 acres of land have been requested for sale since 2008.

Mr. Hoehn: — No, that's parcels.

Ms. Morin: — Parcels, sorry. Since two thousand . . .

Mr. Hoehn: — Yes, which could be a quarter or part quarter.

Ms. Morin: — Right, but that's since November of 2008.

Mr. Hoehn: — Correct.

Ms. Morin: — Okay, but we don't have any statistics for the past year.

Mr. Hoehn: — Correct.

Ms. Morin: — Okay, but those will be coming in the future at some point then, I guess, with the rest of the information I've asked about.

Mr. Hoehn: — You bet.

Ms. Morin: — Okay. So that's wildlife habitat protected lands. How many requests for lands that are under the Ministry of Agriculture since November of 2008 have you had as well? Because this obviously . . . The 7,821 refers to lands that were previously under the legislation for *The Wildlife Habitat Protection Act*. So what is the request for land sales since November of 2008 for lands that are under the Ministry of Agriculture?

Mr. Hoehn: — We received inquiries on 17,672 parcels.

Ms. Morin: — I'm sorry. Could you repeat that?

Mr. Hoehn: — Sure. 17,672 parcels.

Ms. Morin: — 17,622?

Mr. Hoehn: — 72.

Ms. Morin: — 72. Sorry.

Mr. Hoehn: — That might be out a bit, I mean, but it's fairly close.

Ms. Morin: — Can I get the breakdown of the wildlife habitat

protected lands that were, sale requests that were made out of the parcels? Can you tell me what the quarters are, please?

Mr. Hoehn: — That would be the 7,821.

Ms. Morin: — Right. But that's the parcels.

Mr. Hoehn: — Correct.

Ms. Morin: — Can you give me the breakdown of that?

Mr. Hoehn: — I'm missing the question. Those would be the parcels or quarters. So I mean, we talk quarter sections. But I mean, some quarters may only have 100 acres in them. So we consider that as one, like a legal description.

Ms. Morin: — Oh I see.

Mr. Hoehn: — Yes.

Ms. Morin: — Okay. And it's the same then for the information I asked about the lands that are under the Ministry of Agriculture as well then?

Mr. Hoehn: — That we have received applications on? Correct. Yes.

Ms. Morin: — The 17,672?

Mr. Hoehn: — Yes.

Ms. Morin: — Okay. And so you . . . Okay. So you don't have the breakdown for the various years. And what does the Ministry of Agriculture foresee in terms of the land sales that might take place in terms of going forward for this fiscal year? What is your projection?

Mr. Hoehn: — Our projection is 80,000 acres.

Ms. Morin: — 80,000 acres of Ministry of Agriculture land or total Environment? In other words lands protected, that were previously protected under WHPA [*The Wildlife Habitat Protection Act*] and Ministry of Agriculture together? Is that 80,000 . . .

Mr. Hoehn: — That's 80,000 acres in sales. Currently we can't sell wildlife protected lands.

Ms. Morin: — Right. But my understanding from the Minister of Environment, who was already in committee, is that we're simply waiting for the evaluation to be done on those wildlife habitat protected lands. And once those evaluations have been done and once the Act has been proclaimed, then the lands are open for business, shall we say. So I'm wondering if we have a projection of, if that 80,000 parcels, 80,000 acres, sorry, is including those lands or if it's just Ministry of Agriculture lands.

Mr. Hoehn: — It's just lands that we deem currently saleable right now. So . . .

Ms. Morin: — Oh I see. Okay.

Mr. Hoehn: — Yes. So it wouldn't . . .

Ms. Morin: — Okay. So it's strictly Ministry of Agriculture lands then. Okay. Am I correct in that statement then?

Mr. Hoehn: — Correct.

Ms. Morin: — Okay. And what were . . . Sorry. And can you tell me what the land sales were for last year from the Ministry of Agriculture?

Mr. Hoehn: — Dollar-wise? Acre-wise?

Ms. Morin: — Yes, dollar-wise.

Mr. Hoehn: — Sure. For 2010-11?

Ms. Morin: — Yes, for 2010-11. Yes, please.

Mr. Hoehn: — Okay. Sales revenue was approximately \$24 million, and that was on about 83,000 acres.

Ms. Morin: — So am I correct in assuming that you're looking at the same revenue stream from land sales for 2011-2012 as well?

Mr. Hoehn: — I think that'd be fair, yes.

Ms. Morin: — Now I also noticed that we've seen a decrease in irrigation and water infrastructure, not by a major amount, but it seems to be consistently going down over the years. We're seeing in again in the umbrella line item of irrigation and water infrastructure, in 2009-2010 it decreased by 1.471 million. In 2010-2011 it decreased by 1.911 million. In '11-12 it's decreased by 1.959 million. Can the minister just elaborate as to why there's this consistent decrease of anywhere between 1.5 to \$2 million on an annual basis?

Hon. Mr. Bjornerud: — The difference comes with the FRWIP [farm and ranch water infrastructure program] program, the water program that we brought in — what? — three, a little over three years ago probably now, where we started out with a \$15 million program, cost shared federally and provincially. And then of course the uptake the first year was, when the Southwest was in a drought out there and this was designed specifically for the Southwest, the uptake was so large that we increased the program to 29 million, federally and provincially.

Where you see the difference now and where that drop is coming because the uptake seemed to . . . The first year was tremendous, and then it's gone down. It was for dugouts, wells, and some funding for pipelines out there. Where you see the difference this year is that we had money left in the program last year, and that was under the Saskatchewan Ag Stabilization Fund. Those dollars were left in there from that program.

So what we've done this year is got to that point where I think there's adequate dollars in that program, that we haven't had to fund any this year for this program. Now if we see that of course the uptake is more — I think with the wet year probably those requests are going to be down — but as we get back into normal years we're probably going to see that go up again. But that's why you've seen the dollars down and almost look like

it's less for irrigation, but really it's the FRWIP water program that have caused that drop at this point.

[22:00]

Ms. Morin: — And I'm also noticing a change in, for instance — it's line item on (AG11) — Saskatchewan farm and ranch water infrastructure program. There's again, from 2008-2009 there's a drop of \$2 million to 4 million. And 2010-2011, there's a drop from 4 million down to 2 million. And this year we're seeing that it's gone from 2 million and has completely disappeared. So can the minister please elaborate on that line item as well please.

Hon. Mr. Bjornerud: — That was the dollars I'm just talking about here, that we had an accumulation of dollars that weren't utilized in the FRWIP [farm and ranch water infrastructure program] program ongoing. So this year in the Ag Stabilization Fund, there's dollars in there that will fund that program this year without us budgeting new dollars to go into that fund. If those dollars are utilized this year, then of course next year we'll put dollars back in the budget for that program.

But we have just over 1,000 applications for 2010-11, about a \$2.3 million commitment at this point, and there's adequate dollars within that program to service that fund or from that fund to service the applications.

Ms. Morin: — Okay. Thank you very much for answering my questions. My colleague has some more questions he'd like to ask as well.

Mr. Lingenfelter: — I have a few questions, and I know another member has questions to ask. But in the area of predation that has been announced in the enhanced program in crop insurance — announced, I think, in April of 2010 — can the minister or an official tell us how many claims have been submitted for cattle killed by coyotes in the province of Saskatchewan under that program?

Hon. Mr. Bjornerud: — We don't have those numbers with us. We can get them for you and provide you with them. Shawn doesn't have them with him tonight.

Mr. Lingenfelter: — And I wonder if you have the number of claims, but do you have the amount of money that has been paid out?

Mr. Jaques: — That's what I had mentioned a little earlier, that there was about 3,500 claims under the predation program and approximately \$1.5 million paid.

Mr. Lingenfelter: — And I guess what I want to get clear is of the number of claims made, were the majority paid out, or is there a percentage of those claims made and the number that were paid out? And what is the process of defining how a kill is associated with a coyote or not? There must be some protocol that is involved.

Mr. Jaques: — So if a producer loses an animal to what they suspect to be a predator, they would call a local crop insurance office. They would register a claim. And then we would send an adjuster out to their farm to complete an inspection, and then

the adjuster determines whether or not the loss is from a predator or not.

Mr. Lingenfelter: — And I would expect most claims are paid. Would that be fair to say that the large percentage, or can you give me a percentage that are . . .

Mr. Jaques: — I don't have a breakdown of that percentage here with me.

Mr. Lingenfelter: — Can we get that for the committee?

Mr. Jaques: — Yes, we could.

Mr. Lingenfelter: — And of that breakdown also I'm curious, because having raised cattle, I don't know that on our farm — and I'm not arguing that this doesn't happen — that we ever lost a healthy cow to coyotes. I would imagine the highest percentage would be calves of the claims.

Mr. Jaques: — Yes, that would be correct.

Mr. Lingenfelter: — Can you give the number of the percentage of calves versus cows so we can make that comparison?

Mr. Jaques: — We can get those numbers.

Mr. Lingenfelter: — And what is the formula for payment in terms of cattle? Is there a fixed number, or do you make adjustments on a monthly basis to the price?

Mr. Jaques: — If they're a newborn calf, we have a set price of \$400 for newborn animals. If it's an animal other than that, we use CanFax and then we'd take a look at a three-week spread and then determine the price within that three-week for the payout.

Mr. Lingenfelter: — I've had a couple of people ask me, what about . . . they're in the process of wanting to go back and have an appeal process. If they're turned down, is there an appeal mechanism?

Mr. Jaques: — Yes, if a producer isn't satisfied with a claim that they had, they can contact their local office and request an appeal.

Mr. Lingenfelter: — On the new offices that were re-established, I'm not sure that all of them are ones that had been closed and then reopened. Maybe, Mr. Minister, you can explain. But my understanding of it in Shaunavon, it's not a full opening of the office. It's a couple of days a week. Is that more like a pilot project, and if it works, then it will be extended to a full permanent office? Or what's the plan around these offices?

Hon. Mr. Bjornerud: — Yes, really that's what it is. We'll see what the uptake is. We're going to send . . . There won't be hiring, and no new FTEs [full-time equivalent]. What we'll be doing is taking specialists from our offices that are already out there and going into the areas that I talked about before, the seven new offices in the province, to try and fill a gap out there, because the concern we were having brought forward by producers is they could phone, of course, to get the information

they needed, but quite often they like a one-on-one where they can sit down and get . . . whether it's research information, whatever the situation is, whether it's a livestock specialist or a crop specialist, forage specialist, whatever the situation is, that they like to have a one-on-one so they actually know who they're dealing with.

So these offices are trying to fill some of those spots in the province. When you looked at the map in general, there was quite an area between offices. So we're trying to fill that in. I think all but one actually were existing offices before the closure of . . . I think there was 22 in one budget closed years ago and I think 31 altogether. But six of the seven are actually where previous offices were. I think Wadena is the only one that's a new office right now.

Mr. Lingenfelter: — And the extra cost, if you're using staff out of other offices, the new cost is basically for what? Would it be mainly for the travel because I would expect the office space you're doing collocation with crop insurance and that sort of thing.

Hon. Mr. Bjornerud: — Well where we can utilize an existing office out there, we will do that of course. There's some situations where we don't have an office in the community or regional office or crop insurance office. What we will do then is maybe talk to the RMs and see if we can rent a space or, if that's not a possibility in the community, then probably find some space that we could rent one day a week or two days a week.

A lot of it's going to depend on the uptake that we have from producers. You know, how many calls we get and, say, can you meet us here on a certain day? We'll come in there and provide the service that they need.

So most of the dollars that we've got budgeted for this are for renting a space out there because of course there's no new FTEs. Those people will actually, you know, they'll be getting their wage like they were before. It's just that they'll be moving around. And also part of it would be for, I guess, the additional travel that they would have where normally they would be, say for an example, in the Weyburn office where now they would travel to one day or two days a week to Estevan and that type of thing.

Mr. Lingenfelter: — And what is the increased cost? I can't imagine this number that I have here that somebody prepared. This can't be right. But can you give me the number of the increased cost that these 10 offices or the 10 new places?

Hon. Mr. Bjornerud: — \$150,000 is what we're budgeting for that.

Mr. Lingenfelter: — Okay. In terms of the activity around oil and gas pipeline exploration in the province of Saskatchewan, does the ministry get involved with issues around surface rights, farmers' interest in surface rights? Or do you have any advice that you give farmers if they call into the office and say, look, we're negotiating with a company out of Calgary or the US? Does the Department of Agriculture do anything that would give assistance to farmers in the negotiation process?

Hon. Mr. Bjornerud: — Really what we do is head them in the direction of Energy and Resources through their offices and they deal with the producers.

Mr. Lingenfelter: — So that anything to do with surface rights, pipelines would not come in to the jurisdiction of the Department of Agriculture?

Hon. Mr. Bjornerud: — No. We'll get calls from time to time, but we try and get them in the direction of Energy and Resources and let them deal with it. They're far more familiar with the situation.

Mr. Lingenfelter: — And I would expect that with pipelines, when farmers who might be concerned not only about the pipeline coming on their land but what is the remediation when they're finished with the pipeline 30 or 40 years down the road, that if someone asked that, that would be referred to Environment. Do you have any knowledge of where that sits?

Ms. Koch: — We do. Consistent with the minister's previous question, it would be through Energy and Resources. At that point, I'm not sure what Energy and Resources may do at that point. Maybe they do involve other ministries like Environment, but our reference would be to the Minister of Energy and Resources.

Mr. Lingenfelter: — And there's no committee between the departments of Energy and Mines, Environment, and Agriculture that sort of sits on these kind of issues and gives advice.

Hon. Mr. Bjornerud: — Not at the present time.

Mr. Lingenfelter: — Okay. On the issue of organic farming in the province of Saskatchewan, would the department know what number of acres of the 35 million or whatever we have seeded on average would be organic at this point in time? Is it still a very small percentage, or where are we at with organic?

Ms. Koch: — This is the 2006 census, so it's somewhat dated, but it's the most recent numbers we have. And so that shows 1,181 farms that report that they produce certified organic products. So it's difficult to know whether that's gone up or down. I expect it hasn't likely gone down.

Mr. Lingenfelter: — Is there an acre number?

Ms. Koch: — There is not.

Mr. Lingenfelter: — No.

Ms. Koch: — There's a breakdown as to what the products are, but I'm sorry; I don't have a breakdown of acres.

Mr. Lingenfelter: — And is there an encouragement or programs that you could tell us about that would support organic and encourage it, or do we, as a department, take a neutral stand and support farmers? The reason I ask is because, as we study the carbon footprint of food, if it's orange, it's coming from some other part of the world or fruit produced here or vegetables . . . But there's a huge debate now about organically produced grain in Saskatchewan and the carbon

footprint.

And the argument is that, on one side that if you're farming half-and-half and summerfallowing, not using chemicals, but using a diesel tractor, and you summerfallow four times half of your land and then you seed the other half, that the amount of diesel fuel used to produce a bushel of wheat actually doubles or triples on organic versus non-organic where you use very little diesel fuel.

Is there any assessment done within the department to try to define or clarify for the public what the actual carbon footprint of food is in the province of Saskatchewan to give some clarification to people who are trying to make up their mind where they should put their consumer dollar or the health of their family? And it seems to me you win on one side and lose on the other, and vice versa, depending on how you do your calculation.

Hon. Mr. Bjornerud: — Mr. Chair, actually we do. We do research for the organic industry out there. I don't know if I'm addressing you directly, what your question was, but we put about \$500,000 into research projects since 2007 when we formed government. We have a number of projects out there this year. In fact we just announced the ADOPT [agriculture demonstration of practices and technologies] projects across the province, about another \$30,000 for projects around the province for the organic industry. We have a full-time specialist now for the organic industry. I think that was a half-time person before. So we do a number of things with the organic industry, and I maybe missed the last part of your question there. I'm not maybe responding to the . . .

Mr. Lingenfelter: — No, I think we're getting there. But I'm wondering whether there is a calculation on the carbon that's emitted to the atmosphere per bushel of grain, organic versus non-organic. Have we ever done anything like that in the department?

[22:15]

Ms. Koch: — No, we haven't done any studies or a particular analysis of that. In fact it's a fairly recent sort of conversation and discussion that's going on in the industry. So there certainly has been quite a bit of editorial commentary and some newspaper articles. And even, I think, the industry themselves are starting to recognize that this is perhaps something that they need to pay attention to because they were at one point marketing kind of a lower carbon footprint, you know, for organic agriculture. And I think they recognize that this is something that they need to themselves even examine.

We haven't been involved in any of the analysis. In fact we're not aware of any analysis. But certainly there's been lots of commentary, so it's likely that the organic industry themselves may determine that that kind of analysis needs to be done. But we're not currently funding it.

Mr. Lingenfelter: — It's a current topic at our farm because we do organic as well as non-organic. And I know the amount of diesel fuel per bushel that we put into organic is far higher than it is for non-organic. But then one can make the argument that we're using a lot more chemical on the other side and not

as much diesel. So I think as an environmentalist, you really . . . It's not a simple argument that one is good and one is bad. It depends on how you do your calculation.

And I think the Department of Agriculture and Food would have an interest in this over time, especially when we produce so much in the province of Saskatchewan. And it does relate to the whole issue of carbon emissions because I think it's very unfair to a province like Saskatchewan that has a very high per capita carbon emission when what we're producing is food that's being consumed in other parts of the world, and that's where most of the carbon emissions come from. And whether or not over time there has to be a calculation where not only the production of food takes all of the carbon penalty, but that there shouldn't be some levied on the consumer of the product as well.

Because obviously we can do whatever we want in Saskatchewan when we grow as much grain as we do and we produce as much oil and gas for export and uranium and potash with only a million people. We can struggle as hard as we can, but I think it's going to be hard to remove us from the category of being the highest per capita carbon emitter just because of the amount we export. And there's nothing in the formula internationally that protects Saskatchewan from that.

And so that's why I'm wondering whether or not there shouldn't be within the Department of Agriculture and Food some at least argument taking place that we not have to take the hit for all the carbon used when we actually export for consumption in other parts of the world.

Ms. Koch: — I would just say that our Agriculture Development Fund is available for research into these kinds of topics. So if in fact there was a proposal that came forward regarding, you know, this analysis that would be required, it certainly would be something that could be entertained by ADF [Agriculture Development Fund].

Mr. Lingenfelter: — Yes. The other thing that I wanted to ask is about carbon emissions and carbon sequestration. And again I'm not sure that I'm asking this in the right place, and the minister can tell me. But I know that Alberta has had a carbon capture sequestration where the Agriculture department and farmers get a lot of the credit because obviously with continuous cropping and using modern methods of openers on your air seeders or air drills, you can capture a lot more carbon than we used to be able to do. And is there a plan in place at this time, and is Agriculture involved in getting that plan going where farmers would see the net benefit from carbon capture and sequestration similar to Alberta?

Hon. Mr. Bjornerud: — Actually it does fall under Environment. I mean we work with Environment too, but I know they're working on this. They're working . . . I know they've talked to Alberta. Where they are with that right at this today, I'm not just totally sure, but it does fall under Environment although it's very important to the ag producers of the province.

I think we all know that when zero till or minimum till came in, I think as you mentioned, it was a tremendous benefit although the producers haven't got to see any of those benefits out at the

farm gate right now. So I know they're working on this issue, and where they will be or how soon they will be out with that, I can't tell you tonight. Probably if there's Environment estimates yet to come, they would be the ones to ask for that.

The Chair: — Mr. Taylor.

Mr. Taylor: — Yes, thanks. A number of questions that have come to mind here over the last little while. How much funding has been allocated this year for meetings of the federal-provincial or provincial-territorial table?

Hon. Mr. Bjornerud: — Are you asking how much have we spent or how much is budgeted?

Mr. Taylor: — How much is budgeted? How much in the estimates in front of us?

Hon. Mr. Bjornerud: — It will come directly out of the department, I guess, depending on the number of meetings that we will have before . . . In each cycle we have FPT [federal-provincial-territorial] meetings, the main meetings in July, early in July. This year I believe we're going to New Brunswick for federal meetings. In February there's usually a mid-meeting or a one-day meeting with the federal, provincial governments from across the country. And that's really the extent of where we go federally and provincially.

Mr. Taylor: — Okay. I'm sorry, Alanna.

Ms. Koch: — I just may add that over the past couple of years, there has been an effort to in fact meet less face to face, with the recognition that there is cost containment that's a requirement right across the country, including in Saskatchewan. And so as a result, ministers have actually been meeting by conference call more often than in the past, and in fact officials are as well. So deputy ministers don't meet face to face as much; neither do assistant deputies and on down with committees. There's a recognition that you do need to meet at least once or twice a year face to face in order to kind of get, you know, some face-to-face work done. But if anything, costs have been reduced because of our further emphasis on conference calls.

So it's not that large of a budget in that it doesn't have a separate kind of budget line or budget analysis. In fact it's part of our broad, you know, travel budget and administration and operating costs because if anything, we've seen costs reduced over the past couple of years.

Mr. Taylor: — Before I finish this line of questioning, Mr. Lingenfelter has a comment to make.

Mr. Lingenfelter: — If I could, to you and through you, Mr. Chairman, just say thank you to members of the committee and the minister especially and his staff for the answers and the discussion, and also for the tolerance of my daughter who's been sitting here for almost three and a half hours. For a 10-year-old that's near impossible, but with that . . . She'll lecture me on my long debates even more than the minister when I get home. But I just want to say thank you and good night to the committee. Thank you.

The Chair: — Thank you, Mr. Lingenfelter.

Mr. Taylor: — All right, thank you. And I think Hannah would have appreciated some cinnamon buns tonight, Mr. Chair.

Just along these lines about the FPT table, you said the July meeting will be in New Brunswick. Does New Brunswick hold the . . . is that the jurisdictional Chair for this year?

Hon. Mr. Bjornerud: — It rotates. Last year we actually hosted it in Saskatoon, so all the provinces were here. The one year we were in Quebec City. Next year is New Brunswick. We were at Niagara Falls in Ontario I believe, a year before we hosted it. So it goes, everybody takes their turn at hosting it. Co-chairs . . . [inaudible].

Mr. Taylor: — Now so New Brunswick has the Chair, New Brunswick will be setting the agenda. The deputy ministers will be discussing the agenda prior to that meeting. July isn't that far away. Has the agenda for the July meeting been established yet? And can you give us some idea of what Saskatchewan will be talking about at the July meeting?

Ms. Koch: — Well I might just comment that Growing Forward is the agriculture policy framework that's under way right now, and there will be a Growing Forward 2 framework that will need to be established post-2013. And so the Growing Forward 2 framework will be a topic of discussion at the July meeting. We already are well aware of that.

As well, innovation has certainly been something that has been a topic that has been discussed in that, you know, focusing on what might be needed for Canada to remain competitive from an innovation perspective as far as investment and research, innovative approach to agriculture.

And so we do already know that those two topics, for example, are going to be on the agenda. But like last year, we had an agenda set well in advance, and then as a result of all the flooding, that tended to kind of take precedence over every other topic that was on the agenda. So again this year we'll have to see what the issues of the day might be, and so there may be some last-minute, you know, agenda items added. But at this point it is focused on sort of a longer look ahead.

That tends to be what the summer meeting's about. The other meetings throughout the year by conference call or face to face are more transactional as far as current issues. But the July meeting is more of a look ahead for ministers.

Mr. Taylor: — Thank you. Does Saskatchewan have the pen on any particular issue in front of the ministers in July? Is Saskatchewan presenting any document or any argument at the meeting?

Hon. Mr. Bjornerud: — I think the one thing, while we check and get another part of the answer here for you, but I think one of the issues is improvement of programming. As I think I mentioned to the Leader of the Opposition earlier, right now we're not getting a whole lot of agreement when we talk about improvement to programming. As I think a number of the provinces know, to improve the programs of course we're going to have to spend more dollars on them. And I think that's partially why we're not getting, you know, too much of an agreement at the table. Right now is the time to do that. And to

a degree that's somewhat frustrating, but I certainly understand where a number of the provinces are right now. I think when they come to those meetings that they certainly are told there's no more dollars available for the agriculture within their provinces.

But that's some of the issues that we talk about when we're at the table. And I'll maybe let the deputy minister just elaborate on some of the other things.

Ms. Koch: — I would just say that I just double-checked. There are no particular files at this point that we're targeted to be leading on, but as I said, that can change if there's, you know, an emerging issue that may become, you know, front and centre for Saskatchewan. But I would say that the pen really is held jointly between, you know, all of the provinces as well as the federal government on various topics, including the next Growing Forward framework. So it is very much a collaborative effort that occurs at that July meeting.

Mr. Taylor: — When the deputy minister talked about research and development and innovation being a part of the ongoing discussions, and the minister talked about funding, usually these meetings would have the provinces saying to the federal government, you have to put in more money, and the federal government saying, we don't have any more money to put in. Research and development in Saskatchewan has a pretty good . . . a long, ongoing history of research and development funding in agriculture. That's certainly continuing with the additions of the new research centres that are on our university campuses.

Is there a particular ask this year of the federal government with regards to new research and development or innovation partnerships or support?

Hon. Mr. Bjornerud: — I don't know about any specific one project that we have. I think it's an ongoing lobby that we have with the federal government. I think we talked about before how important we feel research . . . We put more dollars into that. And of course in most cases the federal government cost shares on these research projects. But it's really an ongoing lobby for the federal government to increase research funding, I think from all provinces right across the province.

Of course when research, when we do something, say for example at the University of Saskatchewan, everybody in the country can benefit from that research as we do from Ontario or other jurisdictions that do research also. But I think it's a continual lobby of course, on behalf of all of us from the ag sector right across the country, I think, knowing the importance of research for agriculture.

Mr. Taylor: — Okay. I notice from the minister's mandate that in addition to the Crop Insurance Corporation, the minister also has quite a number of other boards under his responsibility, not the least of which is the Agricultural Implements Board. Is there funding, any funding changes or anything that we should know about on the implements board this year? And is it an active board this year?

Hon. Mr. Bjornerud: — It's definitely an active board. If, you know, a necessity comes up that it's needed . . . But there's no

increase in funding nor I don't believe has there been an ask for any increase. I mean they deal with issues as they come about.

Mr. Taylor: — What about the Milk Control Board?

Ms. Koch: — I may just note that we no longer have a Milk Control Board. It's now called the Saskatchewan Milk Marketing Board. And so that board doesn't require a budget. But they are operated under the authority of the Agri-Food Council, which is funded by our ministry. And really that's just an umbrella council that oversees all of the check-off organizations in the province as well as any of the supply-managed marketing boards. And so this is a transformation that's occurred over the last couple of years with the dairy industry where we've moved from a government-regulated board that was funded by government to an industry-driven board that is consistent approach with how every other supply-managed sector was operated in the province. And so that's a transformation that's occurred. And I think it's fair to say that the dairy industry is well on its way to having its marketing board well established, and it will be up to them to determine how they fund their operations.

[22:30]

Mr. Taylor: — Okay. Just a couple of other questions along this line. I see we've reached the end of our time here. But the funding or circumstances relating to the Farm Land Security Board, anything we should know about?

Ms. Koch: — There's no changes. The budget has remained consistent there, and we don't foresee any changes with the Farm Land Security Board.

Mr. Taylor: — And how about the land security board?

Hon. Mr. Bjornerud: — Which one are you talking about?

Mr. Taylor: — It's the last item listed on your mandate, Saskatchewan Lands Appeal Board.

Hon. Mr. Bjornerud: — Oh, the appeal board. No change in funding.

Mr. Taylor: — Just judging by the clock, Mr. Chair, that would end my questions for tonight.

The Chair: — Thank you, Mr. Taylor. Any final comments from the minister?

Hon. Mr. Bjornerud: — Thank you, Mr. Chair. Mr. Chair, I'd like to thank all my officials tonight for coming and giving me their support and their information. And on behalf of the committee, I want to thank them for coming tonight. Thank you.

The Chair: — Final comments from any . . . Ms. Morin.

Ms. Morin: — Yes. On behalf of the opposition, NDP opposition, I too would like to thank the officials and the minister for being here tonight in full force and at this late hour and being away from your families and some sleep. So I thank you for bringing the information you brought forward this

evening. I look forward to the information that we've asked for that will be forthcoming as well. And thank you for your time.

The Chair: — Thank you to all committee members, minister and officials, and those of you who tuned in tonight on television. Thank you and good night. I now ask for a motion to adjourn. Mr. Hickie. This meeting now stands adjourned.

[The committee adjourned at 22:32.]