

STANDING COMMITTEE ON PUBLIC ACCOUNTS
May 18, 1989

Public Hearing: Department of Social Services
(continued)

Mr. Chairman: — When we last met we were dealing with the Department of Social Services. I assume that we can call the officials back in.

Good morning, Mr. Kutarna. When we last met, some questions were being asked, and you were going to come back this morning to see if you might be able to provide answers.

Mr. Kutarna: — Mr. Chairman, we were able to address the majority of the questions that were asked. Some of them will require a little bit more work. It might take us a few days, perhaps even a couple of weeks, to put some of the more detailed technical answers together. But for the most part we have been able to put together the answers to the questions.

Mr. Anguish: — Mr. Kutarna, can you tell me, are there any of the questions that I read into the record on our last meeting that you will not be able to answer?

Mr. Kutarna: — There are a couple of questions, Mr. Chairman, that were of concern to me. One was the question that asked about legal advice that we've received. The answer is that we have received none, but my concern was that it would be difficult to release advice that we've received in the course of working on . . . specific legal advice on a question. However, we have received none, so the simple answer is there.

The other one was on the release of correspondence, and we would be concerned about releasing information about correspondence between what amounts to between ministers, a federal minister and a provincial minister. And so I would not be privy to . . . or privileged to release that information.

Mr. Anguish: — Yes, I can understand that, Mr. Kutarna. In fact, if it was correspondence between ministers, I'm sure that we would ask that in the House rather than to ask you for that type of information. We were just wondering if there was correspondence that expressed concern on behalf of the Canada assistance plan in regard to the province of Saskatchewan, Department of Social Services, and how it ties in with the Saskatchewan assistance plan.

Mr. Kutarna: — Any correspondence that was entered into was of a federal-provincial, what I call a cost-sharing technical nature. And really there was none that addressed the issue between officials of the appropriateness of an action or a particular orientation on a question. So it was all of the technical details of negotiating the arrangements type of correspondence.

Mr. Anguish: — And that would be a summation of your concerns on the questions?

Mr. Kutarna: — Yes.

Mr. Anguish: — I only have one other question, or one other issue that I'd like to deal with. But is it your

intention, Mr. Kutarna, to provide those written responses to the committee?

Mr. Kutarna: — We would be able to do that, yes, although I would just repeat again that some of the information is somewhat difficult to put together. In fact some of it — in fact I should clarify — some of it was not collected in exactly the way that the question was asked for that year. But we would be stating that clearly in the letter.

Mr. Anguish: — That's fine. Then we'll look forward whenever you can provide that, to provide it to the committee.

The only other question that I have concerns page 418 of the *Public Accounts*, volume 3. There's a Conrad W. Hnatiuk who received \$193,653.23 as a salary in the year under review. I'm wondering, Mr. Kutarna, if you could describe that salary to me.

Mr. Kutarna: — Mr. Chairman, the amount that you refer to is a combination of several items for that year. Part of it is salary, part of it is recreation . . . or vacation leave pay-outs, and part of it is a separation payment, which is part of the terms of a contract between the deputy minister and the employer. So the total is a combination of those things.

Mr. Anguish: — So Conrad Hnatiuk was fired from the department, was he?

Mr. Kutarna: — There was an agreement, a separation payment agreement, and I'm not aware of exactly what the terms of the situation were at that time. I was not in the department and I'm not aware of what the situation was, but I see that there was a combination of something called a separation pay-out, vacation leave, and salary for that year.

Mr. Anguish: — I would have to assume he didn't quit and was given such a handsome package upon his quitting the department. Did he quit the department or was he fired or did he take early retirement?

Mr. Martens: — Point of order, Mr. Chairman.

Mr. Chairman: — Point of order.

Mr. Martens: — I believe that this question is something that the member should ask the minister, not the department. This gentleman is here representing the actual cost of the accounting and through the process of accounting, and I don't think it has anything, from his end of it, has anything to do with whether he should answer the question of whether his predecessor was fired or how he was hired or any of those kinds of questions, what the parameters of his hiring and release of work were.

Mr. Anguish: — In defence of my question, Mr. Chairman, I asked that question because the role of the committee is to again look at economy, efficiency, and effectiveness. And I don't think that any of those apply if the case would be that this individual quit the department during the year and all of a sudden was given a handsome

severance package for quitting his job with the provincial government.

And I'd just like to know how, how this person departed. Were they released from their services by the employer? Did they quit? Did they take early retirement? What were the conditions surrounding this person leaving the Department of Social Services? Are there progress reports on this individual, that he did not perform his duties? Did he have medical reasons as to why he left the department?

He can't just quit and get a severance package of \$193,000 when it includes salary and holiday pay, so I'm just asking what happened to this individual that he received that much money during the year.

Mr. Chairman: — Mr. Hopfner on the point of order.

Mr. Hopfner: — Thank you, Mr. Chairman. Mr. Chairman, on the point of order. It's basically . . . the answer that had been given should be suffice because of the fact that the member had been . . . it had been indicated to the member that there had been an agreement between both parties. And if there's any further information, I do believe you've ruled on this time and time again that is out of line and the line of questioning . . . and that kind of questioning should go to the minister and before the legislature. You had ruled on that previously.

Mr. Chairman: — I want to thank the members for their comments. As I understand it, Mr. Anguish, your question is you wanted to know whether or not the person in question was . . . how' he was dismissed; was he fired or was this a mutual parting of the ways. Is that . . .

Mr. Anguish: — Basically yes. I wanted to know whether he quit, whether he was fired, whether he took early retirement. And if he just simply quit the department, I don't know why he would have such a handsome severance package.

Mr. Chairman: — Mr. Martens, you're saying that any questions like that should be put to the minister. Am I correct?

Mr. Martens: — If I recall accurately, I think this thing was discussed twice in estimates already, and that's exactly where it needs to be placed. And I think that if the member wants to have it, he can have that question asked again or he can ask it himself in estimates, and that's where it's logically and reasonably done. And I have no question as to the content and the location when it's done in that context, but I don't think it belongs here.

Mr. Chairman: — Okay. I would rule that at this point, at this time, the point of order is not well taken. It seems to me the member's trying to elicit information about a pay-out, an expenditure item in the Public Accounts, and that's legitimate. If he's trying to find out if this person was fired, dismissed, and that's all that's being asked for, that's a legitimate question. But if I see the member trying to find out why some things might have happened, then I agree that those are questions that should be put to the minister, and that would be my ruling.

Mr. Martin: — . . . point of order. He obviously accepted the package. So the question . . . the answer that should satisfy this group is that he accepted the package and, you know, that's all there is to it. These people didn't negotiate the deal, so talk to people who negotiated the deal then.

Mr. Chairman: — He's not asking questions about the deal at this point, Mr. Martin. But anyway, I've made my ruling on this. I think, you know, Mr. Anguish is trying to find out what happened . . .

A Member: — I'm willing to rephrase my question. Mr. Chairman . . .

Mr. Chairman: — If I see him trying to find out why it happened and I feel those questions should be put to the minister; if the deputy doesn't tell me and members don't tell me, I certainly will tell Mr. Anguish that that's what should be done.

Mr. Wolfe: — What was the question, just for my own information? I'm sorry, I wasn't here for it.

Mr. Anguish: — Well, I think for the specific question you can review the record tomorrow when the verbatim transcript is ready. I'd be willing to rephrase my question to make it very specific. And if there's an answer, I'd have no further questions on it. And I suppose my question is: how much did he receive in terms of a severance package, and why did he get the severance package? Was it because he quit, was it because he was fired, fired for just cause, or was it because he took early retirement? Which of those three options resulted in his departure from the department?

Mr. Martens: — Point of order, Mr. Chairman.

Mr. Chairman: — Point of order.

Mr. Martens: — The member from Battlefords just destroyed his reason for asking the question and rephrasing the question, because he asked the question "why." And I believe when you ask why, it's not in the parameters of the deputy minister to answer that question. It's clearly, in my opinion, a matter for the member to ask in estimates, which the opposition has done at least two years running on the same issue. And I think that that's the place for it. The minister has the sensitivity to answer the question, and I don't believe this is the format for that.

Mr. Chairman: — I think the point of order is well taken. Your question was, why did he receive a severance package. And you can certainly try to rephrase things in a different way to elicit information, but you've put it in terms of why did he receive a severance package, so I think Mr. Martens' comments are well taken.

Mr. Rolfes: — Mr. Chairman, could I ask a question? Would you please break down for us the expenditures of \$192,000, please.

Mr. Kutarna: — Mr. Chairman, the amounts breakdown: salary portion, 74,138, vacation leave pay-out, 11,080, and separation pay-out, 108,433. The total is 193,653.

Mr. Rolfes: — One further question. Could you tell me, did Mr. Hnatiuk work for the entire year that's under review? Was that salary for the entire year?

Mr. Kutarna: — Mr. Chairman, the time period was for the year '86-87 up to March 2, 1987.

Mr. Rolfes: — So it was one month short.

Mr. Chairman: — Any further questions?

Mr. Anguish: — No further questions of the department.

Mr. Neudorf: — Well. Mr. Chairman, just an observation and a comment, and I guess a request. I'm not particularly impressed with the route that we've taken in dealing with the Department of Social Services.

Mr. Chairman: — I wonder, if we have no further questions of the officials, can we excuse them?

Mr. Neudorf: — I am . . . (inaudible) . . . prepared to sit here and allow questions to be asked via a letter or via a written question. If I could ask the member from Saskatoon South to just be patient and listen to my argument here.

Mr. Chairman: — Mr. Rolfes, let Mr. Neudorf proceed.

Mr. Neudorf: — I want to find out from this committee whether it is acceptable to this committee to abrogate the mandate that we have, which is to call witnesses before this committee to ask them questions and to listen to their answers. And although the questions were read, like I suggested the other day, into the microphone and we have the verbatims at this point, I don't think that I'm quite prepared to let the officials send a written statement some time in the future to the committee on the basis that there it is.

I still think that what we should do is listen to their answers where we can have supplementary questions if necessary and further explanation if necessary. That's my opinion on this issue.

Mr. Rolfes: — Mr. Chairman, just for the edification of the member opposite, this has been done on a number of occasions we have asked questions. For example, I've asked on a number of occasions, were there any polls conducted? You don't have to supply it now; you can supply it later. They've done that.

I've read, give me a listing of all out-of-province travel. Don't have to supply it now; don't take up the time of the committee; supply it later. And they've done that.

Under contractual services, don't take the time of the committee; provide it later. They've done that. And there was no objection from the members opposite.

I have six questions here that I have asked on a number of occasions. There were no objection by the members opposite. I intend to ask those again this morning. And I would expect that the members wouldn't want the officials to sit there to work out all the details and then

provide us with the answers.

Mr. Neudorf: — I concur with you on those types of questions. I have no problems with that either. That's not the point I'm making. The point I'm making is that there were basically, I believe, 20 questions being asked indirectly by the critic on social affairs. And that was the extent of the questions that we were . . . (inaudible) . . .

Mr. Rolfes: — No. That is not true because . . .

Mr. Neudorf: — Yesterday I believe, or Tuesday when we broke up, Mr. Rolfes indicated that we would now be here two or three weeks. Mr. Anguish indicated that we would be now here two to three days listening to the answers from these officials. Both of them made those comments, and I raise . . . (inaudible interjection) . . . that's exactly, that's why.

Mr. Chairman: — I wonder if I might at this point . . .

Mr. Wolfe: — I'm just curious, and I know that I was the one that actually raised the question the time before about the information transfer between the federal and provincial governments, and I wonder if we've really dealt with that. And that's my only concern about the department and the questions that were being asked is that we should give fair time to see that those questions are appropriate. We haven't really had an opportunity to deal with that yet.

Mr. Chairman: — Just on that point first, Mr. Kutarna himself indicated concerns about releasing any correspondence, and I'm sure that he's not about to do that. He also evinced some concern about legal advice. The question was asked about legal advice, but it was an academic question because there was no legal advice.

I just might point out that a number of questions were asked last time around. The department has undertaken to answer the questions to the best of its ability and will provide them back to the committee in written form. If the committee is not satisfied with the answers that are received, the department can be recalled and further subsequent questions can be put to the department if that is the committee's wish.

And unless there are further questions at this point of the department, I think we should let the officials go and move on.

Mr. Wolfe: — Mr. Chairman, I'm still not clear about that transfer of information from the federal government to the provincial government, and that's the reason I raise the issue again. Is that an appropriate question to ask at this committee? And should that question be allowed?

Mr. Chairman: — That's a good question.

Mr. Wolfe: — We really haven't discussed those questions, and I'm just concerned that one like that may set a precedent.

Mr. Chairman: — What question was that?

Mr. Wolfe: — I believe it's question 10, 11, or 12.

Mr. Chairman: — Ten, 11, or 12.

Mr. Wolfe: — Mr. Anguish spoke to it just at closing and was quite concerned. He felt the information was very important.

Mr. Chairman: — Yes, I think . . . as I understood Mr. Kutarna — if I could have the floor — as I understood Mr. Kutarna with respect to question 10: in the year under review, was any correspondence received from the Government of Canada objecting to the operation of work for welfare in Saskatchewan. Mr. Kutarna, as I understood him, has indicated that if there was correspondence, it's between ministers, and therefore he would not be in a position to comment on that. And I didn't challenge that, and I didn't see any members of the committee challenge that, and therefore the question, as such . . . it was asked but he's deigning not to answer, and I would agree with him.

Mr. Wolfe: — When was that response given?

Mr. Chairman: — Very early. At the outset of . . .

Mr. Wolfe: — This morning.

Mr. Chairman: — This morning, yes.

Mr. Wolfe: — Oh okay, I'm sorry. I apologize.

Mr. Anguish: — For clarification, I think Mr. Kutarna also mentioned something about, if there was any correspondence it was more of a technical nature. And he, at least, led me to believe that if there was something objecting to any particular program it would likely be correspondence between ministers. And I acknowledged that yes, if it's correspondence between ministers, it would be inappropriate for me to ask Mr. Kutarna as the permanent head of the department for that type of information.

Mr. Chairman: — The 11th question was: were you provided with any legal advice, and he said, well there wasn't any legal advice, but if there had been any legal advice, I wouldn't necessarily tell you about that legal advice because he has some feelings that that's a matter of policy and so on that need not be divulged in this committee. And that also, that point of view was also not challenged and, you know, I would have to agree with him.

Mr. Wolfe: — Thank you.

Mr. Chairman: — Okay, thank you, Mr. Wolfe. If there are no further questions at this point of the departmental officials . . .

Mr. Martin: — I missed the first part of the morning as well, and I'm wondering, did Mr. Kutarna say when he would be delivering those answers? I mean, did he deliver them today by any chance and I haven't seen them yet, or what?

Mr. Kutarna: — Mr. Chairman, the work . . . it will take from a couple of days to a couple of weeks to put together

the more technical, detailed answers to these questions, and so we have not provided anything today. But we are continuing to prepare the answers.

Mr. Martin: — Would it be possible to discuss some of the answers as . . . or the questions and the answers as they are ready to be discussed? I mean, do you have any of the answers today at all, for instance?

Mr. Kutarna: — We could give some answers today, yes. Yes, Mr. Chairman.

Mr. Martin: — Would we be prepared to do that, or do we want to wait? We might as well get started on them.

Mr. Anguish: — You should ask the questions.

Mr. Martin: — Well I'm quite prepared to ask the questions. Sure, we're going to ask the questions. So should we proceed with that?

Mr. Anguish: — Certainly. We have no more questions. If you want to ask questions from the government side, please do. I do find it strange, however, that you'd want to all of a sudden ask questions and never asked questions before in the committee, and all you're doing is delaying getting on to the next year's *Public Accounts*, which is much more damaging to the government.

Mr. Chairman: — Can we have a point of order? Mr. Martin, Mr. Anguish. Point of order.

Gentlemen, I'm sure the officials are wondering what this is all about. Mr. Martin wants to ask . . . rephrase the questions or reask the question and see what answers he might be able to get today.

Mr. Anguish: — Well if there's no further questions, Mr. Chairman, why don't we move on to the next department?

Mr. Chairman: — I believe Mr. Martin wants to ask some questions.

Mr. Martin: — Can you tell me, Mr. Kutarna, at this time, what answers to which questions do you have, so I can . . .

A Member: — Point of order.

Mr. Chairman: — Point of order.

Mr. Anguish: — I find that totally inappropriate. If the members on the government side don't have any questions, I think that the departmental officials should be let go back to their jobs, their regular course of duties.

Mr. Chairman: — The point of order is not well taken.

Mr. Anguish: — I withdraw my point of order because I see Mr. Martin has found our questions, and he'll likely read them out the verbatim transcript.

Mr. Chairman: — The point of order is not well taken.

Mr. Martin: — The first question . . . do you have the answer to the first question, Mr. Kutarna? The question is:

for each of the major areas of expenditure, could you please provide a breakdown of what portion of the funding was provided through the Canada assistance plan, on both a percentage basis and total figure basis? What is the total number of the 1986-87 Social Services budget that the Canada assistance plan funded?

Do you have the answer to that question?

Mr. Kutarna: — Yes. Mr. Chairman, the Canada assistance plan funds a large variety of specific programs in Social Services, and in the year under review, for an expenditure of 373,153,000, the department received 148,056,000 in revenue from the Canada assistance plan.

In the area of administration, 14,981,000; grants for community services, 2,674,000; grants for handicapped, 1,790,000; grants for senior citizens, 145,000; institutions for handicapped, 2,744,000; day care, 5,381,000; child care, 6,983,000; child-care facilities, 535,000; income security, 108.106 million; employment training, 3.046 million; legal aid, 1.667 million, for a total of 148.056 million, and I've rounded some numbers.

Mr. Martin: — You mentioned child care. Was that figure 6 million? How much was that again? — 6 million . . .

Mr. Kutarna: — It was 6.983 million.

Mr. Martin: — Could you elaborate just a little bit on that, the 6 million. Like in the year under review, where would that 6 million have gone? I mean, I don't need specific figures, but I'd just like kind of a general answer as to where that money is spent.

Mr. Kutarna: — Child care refers, Mr. Chairman, to the entire family services system — services to children, group homes, foster-parent system, the foster payments system, and other services in the area of family violence, abuse, counselling, and so on.

Mr. Martin: — How many spaces would that have meant in 1986-87?

Mr. Kutarna: — Mr. Chairman, I should just clarify that 6.983 million was revenue, and the total expenditure in that area by the province was 16.580 million.

Mr. Martin: — 16 million . . .

Mr. Kutarna: — 16.580 million.

Mr. Martin: — And I asked the question: how many spaces were provided — with that kind of money available in '86-87, how many spaces were there provided for day care in the province?

Mr. Kutarna: — Mr. Chairman, during the year in question, there were 2,236 children in care, children in foster homes, 2,236. In addition there were 2,589 families receiving what we call protection services, which can include sexual abuse, emotional abuse, physical neglect, and other such family situations.

Mr. Martin: — Was that just in cities, or does it also

include rural areas?

Mr. Kutarna: — Mr. Chairman, that's distributed around the province. And I'm just looking at my list here — there would be, based on our definitions of districts and regions in the department, it would be scattered throughout the province. So there would be, for example, 611 children in care in the Saskatoon region, 544 children in care in the Regina region, and so on.

Mr. Martin: — How about the previous year?

Mr. Kutarna: — In the previous year there were 2,027 children in the foster care system.

Mr. Martin: — So it's an increase of 500-and-some . . .

Mr. Kutarna: — An increase of about 200.

Mr. Martin: — Oh 200, yes. The family, what about the family — the family was 2,236, yes.

Mr. Kutarna: — And in the area of families receiving protection services, there was a slight increase — 2,427 in '86 as opposed to 2,589.

Mr. Martin: — And it's a hundred, an increase of some 100. That's about a 10 per cent increase then for the foster-parents plan, I guess then, is it? Or for the family . . .

Mr. Kutarna: — That's about right, yes. That's correct.

Mr. Martin: — Thank you, that's the answer to number one. Thank you very much. Now let's move on to number two. Which of the following items are subject to Canada assistance plan funding . . .

Mr. Lyons: — Mr. Chairman, it's understood that we're still to receive the written responses from the department, that these responses to Mr. Martin's questions aren't the major response, if you will.

Mr. Chairman: — So you're asking if in addition to the verbal responses being received, will there be written responses? I guess it's a fair request. You know, the questions were put verbally and were provided in writing to the department officials to facilitate their work, so it's a fair request that they would do that.

A Member: — So?

Mr. Chairman: — But it's not really a point of order. It's something that . . .

Mr. Martin: — Thank you, Mr. Chairman, thank you very much. Number two: which of the following items are subject to Canada assistance plan funding, and what percentage of Canada assistance plan funding was provided in each case? Start-up grants and equipment grants for day-care centres; funding for the family income plan; grants to non-governmental organizations from Social Services budget; grants to the early childhood intervention program; funding for transition houses and for safe shelters? Do we have the answer to number two, Mr. Kutarna?

Mr. Kutarna: — Yes, Mr. Chairman, we do.

A Member: — Thank you.

Mr. Kutarna: — Okay. In the area of day-care centres, the total expenditure was 902,000, of which 305,000 was recovered from the federal government under FIP, which is the family income plan. The total expenditure was 19,338,000; recovery was 7,654,000. The early childhood intervention program, the expenditure was 1,167,000; recovery was 444,000. Transition houses, the expenditure was 1,397,000; recovery 589,000. Safe shelters, expenditure was 447,000; recovery was 180,000. And other non-government organizations involving handicapped and senior citizens totalled 13,642,000, of which 3,728,000 was recovered from the Canada assistance plan.

Mr. Martin: — Were any of these programs, under number two here, were these new programs in the year under the review — '86-87?

Mr. Kutarna: — Most of the programs, Mr. Chairman, are continuing programs of Social Services, but there would have been enhancements throughout the year. So there are no specifically new programs although there are expansions of existing programs.

Mr. Martin: — Could you elaborate on the enhancements, please, if it's possible. Do you have that information?

Mr. Wolfe: —Mr. Chairman, just to speed this process up a little bit, if the deputy minister has some of the answers in there in written form, if they could be circulated for the benefits of the committee I think it would be good. If we could just have someone go and photocopy them.

Mr. Chairman: — Do you have copies of these answers with you?

Mr. Kutarna: — I don't have copies for the committee.

Mr. Chairman: — Just a single . . .

Mr. Kutarna: — Just my sheet.

Mr. Chairman, with regard to the question of enhancements, there would have been expansion of the day-care spaces that year. I believe there was an increase in the family income plan rates. There would have been an increase in the numbers of the early childhood intervention programs.

Mr. Martens: — I'd like to ask a question on how these are driven. Are they driven by people accessing them themselves and wanting to have it, or are they driven by the department saying that there is a need for the . . . how come there was an increase in these programs? Was it driven by people asking for them?

Mr. Kutarna: — Well, it's partly driven by demand for the program and partly by the department's response to the program. So, for example, in the day-care spaces there would have been an increase that year of 224 spaces, and so the department would have funded those new spaces.

But it was in response to the needs as they are determined across the province.

Mr. Martin: — The use of the term "Transition House" is . . . as I understand it, the Transition House in Regina is like one location for that type of assistance. Is there another word that's used generally for homes for women, or battered women, or whatever . . . what are they generally called? Is that the proper word for it?

Mr. Kutarna: — In the year '86-87, the word transition houses and safe shelters represented the two types of services available. And currently what's available in Saskatchewan is family shelters and safe shelters, so . . . But your question was with regard to Regina, one facility? There would be several facilities in Regina of which one was called, during that year, Transition House.

Mr. Martin: —Would you have . . . could you give me the amount of money spent on transition houses or safe shelters — safe shelters, as you call them then — in the year under the review? And is there a breakdown per location for those?

Mr. Kutarna: — While we look up the breakdown, I can give you the totals. The transition houses, the total expenditure was 1.379 million; and safe shelters, 447,000.

Mr. Martin: —Okay. No, that's . . . sorry, I don't need the individual places. That's great; I can look that up myself. Thank you very much.

Number three: did the Canada Assistance Plan set limits on the amount of income support that can be offered to low income families through the family income plan with the federal government matching in the year under review? If so, what were these limits? Do you have the answers to number three? And if . . . would you rather . . .

Mr. Kutarna: — Okay, Mr. Chairman, there is in a technical sense no limit that the Canada assistance plan sets, but the FIP (family income plan) calculation is based on the needs test, a proxy needs test similar to that which you would receive under the Canada assistance plan. So if you are eligible for the FIP program, you would be income-tested on the same basis as if you were going to be eligible for the Canada assistance plan. And so it's based on a relationship like that.

Mr. Martin: — Number four: in the year under review, how many family day-care home spaces were available to children? In the year under review, how many family day-care home spaces were available to children in Regina, in Saskatoon, in Prince Albert on a provincial-wide basis? Well, you answered that question earlier if I'm not mistaken, did you not? Or was that . . . could you detail that?

Mr. Kutarna: — I have for the three centres requested: in Regina there were 102 homes, child care homes, or day-care home spaces — I'm sorry, homes; the number of children in those homes, 554. In Saskatoon there were 117 homes with 732 spaces — children attending, pardon me. In Prince Albert, 21 homes, 115 children attending.

So the total for those three communities . . . and the province-wide total is 362 homes with 2,051 children attending.

Mr. Wolfe: — Could you give us the averages on those places mentioned — the average number of spaces per home.

Mr. Kutarna: — The average number of spaces per home is about 5.5 throughout Saskatchewan.

Mr. Wolfe: — And that's the same in all three centres?

Mr. Kutarna: — Yes, and that's an average throughout Saskatchewan.

Mr. Wolfe: — What about the three centres? I'm just curious about the size of the homes.

Mr. Kutarna: — I think it would be similar. I don't think there would be a great difference across the province in the average number. We don't have that information technically, but I don't believe that there's any great difference.

Mr. Wolfe: — What were the numbers that you quoted for Prince Albert again?

Mr. Kutarna: — Yes, 21 homes, 115 children.

Mr. Martin: — Is there a limit on the number of children that you can have in a home?

Mr. Kutarna: — The maximum is eight.

Mr. Martin: — I wonder if you could . . . if under the year under review, what kind of policies were in place as to, say, reviewing these homes as to the adequacy of plumbing facilities, play-pen areas, safety measures — what kind of a policy do you have for that?

Mr. Kutarna: — Mr. Chairman, these day-care homes and spaces would be subject to all the regular provincial regulations, but we do have detailed day-care regulations which specify the controls and the features that have to be part of every home and centre. Also, the department has a group of staff who are responsible for the inspection and the regulation of day-care homes and centres.

Mr. Martin: — Do they inspect day-care homes and centres just on a casual basis, or would they have a regular schedule? Or would they do it only on application from a parent who might be concerned about inadequate treatment or whatever?

Mr. Kutarna: — Mr. Chairman, certainly when an application is received there's a detailed review and inspection. In addition, if something comes to our attention where someone may have a concern, we would immediately review the situation. And also we have a periodic schedule where we will, not on a planned or not on a known way, but according to our own schedule of inspection, we would send out staff to monitor and observe on a periodic basis.

Mr. Martin: — Do you get many complaints?

Mr. Kutarna: — There are, from time to time, concerns expressed. And usually the situation is that we would respond immediately by sending someone out to monitor and observe and come to a conclusion as to whether the situation is in fact as it was complained.

Mr. Wolfe: — What are the guide-lines for the breakdown of ages in those homes? Like how many pre-school children can they have and, let's say, how many infants can they have. Do you have those available?

Mr. Kutarna: — Okay, Mr. Chairman, the maximum is three infants. Out of the total of eight, which is the absolute maximum, three infants maximum, the remainder pre-school or school-age children.

Mr. Wolfe: — That was for the year under review? Has there been any request to change that?

Mr. Kutarna: — Mr. Chairman, not in the year under review. I would just observe that the North American pattern, I suppose, has indicated that eight maximum is a normal typical way to operate a home. But I'm not aware of anything during that year that was a cause for concern that way.

Mr. Martin: — When someone applies to have a day-care centre, your inspector goes out and talks with that person, evaluates that person, the person . . . the lady or the man who's going to be running the day-care centre. Is there any kind of evaluation done on them at all? I mean, I . . . you know, I mean, I don't want to get involved in human rights here, but is it . . .

Mr. Kutarna: — Mr. Chairman, there are two major things that happen. One is that we have detailed discussion with the person who wants to apply and operate a day-care home or a centre. But secondly, we also do reference checks. And so we would be carefully reviewing references, and we do consult with the references specifically to find out as to the suitability of that applicant.

Mr. Martin: — Are there fire inspections done, that type of thing, or plumbing inspections done? Do you have to meet those qualifications?

Mr. Kutarna: — There is an extensive set of regulations that have to be met. One is a safety inspection in the home which is done by our department staff. There's also fire safety inspections which are done by a local fire marshall in that community. And so . . . In addition, all other provincial regulations must be adhered to; for example, in the area of health and safety and so on.

Mr. Martin: — Of course. Yes.

Mr. Wolfe: — How many applications were made for day care centres in the year under review? And day care homes. Have you got that information? I'm just curious about how many were turned down.

Mr. Kutarna: — We don't have that with us. We can provide it.

Mr. Wolfe: — Do you know the major reasons for applicants not being successful in acquiring a day-care home or day-care centre?

Mr. Kutarna: — Mr. Chairman, the major reasons for a centre not being licensed would be, first of all, the overall limitation of the budget. Their licensing is linked to a subsidy, and so currently we . . . in that year we would not have licensed those which we could not provide a subsidy to.

Secondly, there's a regional need-based analysis. For example, there might be seven applications from a small community where the need is to be balanced across the province can't be funded, and so it's not funded. Those would be the two major reasons.

Mr. Wolfe: — But as far as safety and those kind of concerns, how many were rejected on those bases?

Mr. Kutarna: — A few would be rejected on that basis.

Mr. Wolfe: — Do you have any idea of the percentage that might be rejected for safety or other concerns? It seems to me it was the big part of the application process, and I'm just curious as to what kind of an impact those kind of inquiries have on actually the success or failure of that applicant.

Mr. Kutarna: — Mr. Chairman, the estimate that we have is about less than 5 per cent would be rejected for safety issues — less than 5 per cent of the applications.

Mr. Martin: — In the year under review, what was the subsidy for day-care centres?

Mr. Kutarna: — The maximum subsidy for that year was \$235 or 90 per cent of the fee, whichever is less.

Mr. Martin: — And is that the same for a centre as well for a home? Or are homes and centres . . . It's per individual, isn't it?

Mr. Kutarna: — It's the same, Mr. Chairman.

Mr. Martin: — Two hundred and thirty-five. Is that an increase at all over the previous year?

Mr. Kutarna: — Okay, it was no increase from the previous year.

Mr. Martin: — Thank you. I apologize for taking your time. Quite frankly, I'm finding this fascinating and I intend to get as much information as I can because a lot of people talk about this these days, and it's nice to know the kind the information that you need.

So number five: in the year under review, how many day-care co-op spaces were available to children?

Mr. Kutarna: — A clarification first, Mr. Chairman. The term day-care co-op was used in the . . . we refer to them as child-care centre spaces. But in that year there were 92 licensed centres in Saskatchewan with 3,648 spaces, but 3,982 children attending in those spaces. Some of them

might have been part-time attendance. So nearly 4,000 children in child-care centres in Saskatchewan.

Mr. Wolfe: — And the average per centre was about?

Mr. Kutarna: — Average 40 children per centre, across the province.

Mr. Wolfe: — Forty children per centre?

Mr. Kutarna: — Yes.

Mr. Wolfe: — And those are concentrated in the cities?

Mr. Kutarna: — Mr. Chairman, they are distributed all over the province, but you'll find that statistically there will be more of them in the bigger centres. But they are represented everywhere.

Mr. Wolfe: — How would Regina compare to Saskatoon for centres, and the size of those centres?

Mr. Kutarna: — Mr. Chairman, in Regina and Saskatoon the numbers would be roughly identical, so there would be no difference.

Mr. Wolfe: — For the numbers of centres?

Mr. Kutarna: — Yes.

Mr. Wolfe: — Do you know what those numbers are?

Mr. Kutarna: — Mr. Chairman, you asked about the . . . I understood that you asked about the size of the centres. Those are roughly the same. We're just getting the number for you on the number of centres.

Mr. Wolfe: — We don't have the numbers and the size. If you could, please.

Mr. Kutarna: — Okay, we do not have the breakdown with us this morning, but we can get that for you.

Mr. Wolfe: — That would be good.

Mr. Martin: — So when we add up the children in the day-care spaces in day-care homes and in day-care centres, what was that total again? You gave me that earlier, I believe. I thought I had it.

Mr. Kutarna: — Okay, so the number of children in day-care centre spaces, or pardon me, the number of children in day-care centres, 3,982; the number of children in child-care homes, 2,051.

Mr. Martin: — So 6,000 . . .

Mr. Kutarna: — Approximately 6,000, yes.

Mr. Martin: — Six thousand children under somebody's roof somewhere?

Mr. Kutarna: — Yes, correct.

Mr. Wolfe: — The funding per children didn't increase, but the number of spaces increased. So the total funding

did increase something like 10 per cent though. Am I correct in assuming that?

Mr. Kutarna: — Okay, for the year under review, the number of spaces increased by 224 over the previous year. Also during that year, there was introduced a \$20-per-space operating grant.

Mr. Wolfe: — Oh, so there actually was an increase per child?

Mr. Kutarna: — Yes.

Mr. Wolfe: — Okay, about 10 per cent then?

Mr. Kutarna: — And during that year, the MacKenzie Infant Care Centre was first licensed for children of teenage mothers who attend Balfour Collegiate in Regina.

Mr. Martin: — That's that home that Shirley Schneider started. Is that what you call MacKenzie one?

Mr. Kutarna: — Yes, that's the one, yes.

Mr. Wolfe: — So there's an increase in spaces and an increase in funding per space, in reality.

Mr. Kutarna: — Yes.

Mr. Wolfe: — Okay, that's better. I thought that there was; that's why I was concerned with it.

Mr. Martin: — Number six: what percentage of day-care spaces in Saskatchewan were occupied by children whose parents received subsidy in the year under review? Please provide this breakdown as follows: percentage of day-care co-op spaces that was subsidized and the number of families that received subsidy; percentage of family day-care home spaces that were subsidized and the number of families that received subsidy; average amount of subsidy paid to parents whose children were using either a day-care co-op or a family day-care home in the year under review.

Mr. Kutarna: — Mr. Chairman, we have that broken down into two. The child care centres, first of all, 72 per cent of spaces were subsidized, and the average subsidy was \$210 that year. In child care homes, the percentage subsidized was higher. It was 85 per cent, and the average subsidy was \$206.

Mr. Wolfe: — Is there any reason why the one's higher than the other?

Mr. Kutarna: — There's no particular reason, Mr. Chairman. It just so happened that that year more people who used subsidies entered their children into homes rather than centres. So there's no pattern there that is significant.

Mr. Wolfe: — Has there been any shift towards the homes over the centres by people receiving subsidies?

Mr. Kutarna: — No shift, Mr. Chairman, but it's typically always been higher. More people will use homes rather than centres.

Mr. Wolfe: — Is there a reason for that? Just the smaller numbers of children — the parents feel more comfortable with the homes rather than the larger centres, or . . .

Mr. Kutarna: — It could be that. And one should also remember that homes are located more widely dispersed across the province and so there might be some location advantage to a family: they might be closer to their home. Centres tend to be larger and therefore more centrally located, and so you might find that some people would, because of transportation, want to be closer to their home.

Mr. Wolfe: — Is there an impact in the cities in a similar manner, where location of the centres is having an impact on the number of homes?

Mr. Kutarna: — We don't think so, Mr. Chairman.

Mr. Wolfe: — Okay.

Mr. Martin: — You may have answered this; if you have, please stop me, but I'm going to ask it anyway. What determines . . . how do you determine a subsidy, and as to who gets a subsidy? How is that determined? Like in the year under review, how would you have determined that?

Mr. Kutarna: — Mr. Chairman, the method of determining who gets a subsidy is an income test, so a person would apply and they would be income tested such that if there's an income, a gross income higher than \$1,639 a month, the subsidy begins to be reduced.

Mr. Martin: — This was in the year under review?

Mr. Kutarna: — In the year under review, yes — \$ 1,639 gross income. If the income is higher than that, it's reduced, the subsidy is reduced based on the number of children as well as the income growth. But the maximum subsidy remained \$235.

Mr. Martin: — Per child?

Mr. Kutarna: — Per child, yes.

Mr. Martin: — Is that money taxable, the \$235 per child times the number of months . . . or times 12 — is that taxable as income? It's not considered taxable income, is it?

Mr. Kutarna: — It's tax free, Mr. Chairman; tax free income, yes.

Mr. Wolfe: — It's tax free, so that anybody that has a child in one of those homes or in one of those centres is receiving a tax free subsidy or grant?

Mr. Kutarna: — Yes, the principle that's used there, Mr. Chairman, is that it's similar to or equivalent to social assistance programming, and that's all considered tax free, so yes.

Mr. Wolfe: — And that's regardless of the parents' income?

Mr. Kutarna: — That portion of it is tax free, yes, regardless of income.

Mr. Martin: — So I think we've moved on to number seven now. Well, we're getting there. Well I think that that's already been answered, but I'll go through it anyway. What was the maximum income under which a family could still receive full day-care subsidy from the provincial government in the year under review? And I think you answered that.

What was the maximum income under which the federal government is prepared to provide 50 per cent of subsidy cost to parents through DDS, Department of Social Services in the year under review? However, let's have the answers again.

Mr. Kutarna: — Mr. Chairman, there's a technical calculation which the federal government uses to determine that turning point income beyond which they will not cost share 50-50. And that income for a single parent during that year, with one child, was \$3,012 a month; single parent with two children, 3,510; single parent with three children, 4,011; single parent with four children, 4,512.

For a two-parent family, the maximum income was 3,510 — that's with one child — two children, 4,011; three children, 4,512; and two-parent family with four children, 5,013.

Mr. Wolfe: — That income level is per . . .

Mr. Kutarna: — For the family, family income level.

Mr. Wolfe: — For the family.

Mr. Kutarna: — Yes.

Mr. Wolfe: — And that's per year?

Mr. Kutarna: — Per month.

Mr. Wolfe: — So we're actually talking about incomes of 36 and \$48,000.

Mr. Kutarna: — All the way up to 60,000, yes. And that's the level that the federal government is prepared to subsidize to, and that's determined by the federal government.

Mr. Martin: — That's substantial. And number eight: how many persons were cut off social assistance by the Department of Social Services during the year under review? Could you provide this information by Social Services regions? How many of those persons were cut off for refusing to attend a work-for-welfare interview, or for refusing to take a work-for-welfare job? Could you provide this information by the Social Services regions?

Mr. Kutarna: — Mr. Chairman, first of all a clarification. When this question was asked, the phrase "work for welfare" was used, and I'd like to clarify what that means. Work for welfare doesn't exist except in a few jurisdictions in North America. In Saskatchewan there is no work-for-welfare program. In other words, nobody is

expected to work while they are receiving an assistance cheque.

But the program that's operated here in Saskatchewan is work in lieu of welfare. So anybody who goes to a work project in Saskatchewan does go to an employer who hires that person, the employer receives a wage subsidy from the Department of Social Services, and may top up that wage.

So it's not accurate to say that there is work for welfare in Saskatchewan. What is more accurate is that there is work in lieu of welfare where a person is hired in all cases by an employer, and then receives a subsidy.

Mr. Martin: — Would you elaborate on the wage subsidy portion of that?

Mr. Lyons: — Yes, I want to ask Mr. Kutarna some questions just on his statement. Are you saying, sir, that . . .

Mr. Chairman: — Just hang on.

Mr. Martin: — Do you want to wait your turn?

Mr. Lyons: — It's on this point.

Mr. Chairman: — Mr. Martin's got the floor, and I'm sure that before he moves on to the next topic, that he'll give you an opportunity to ask.

Mr. Lyons: — It's just on the exact question you just asked.

Mr. Chairman: — Okay, Mr. Martin?

Mr. Martin: — Sure.

Mr. Lyons: — Just on the statement that you made, Mr. Kutarna. Is it my understanding that if a person is requested to show up at a New Careers Corporation job training interview, and if they refuse to turn up, that the department then reviews the assistance given and will deny that person assistance? Isn't that contained within the regulations of the department?

Mr. Kutarna: — The answer to that is that there are two sets of regulations which determine the obligations of a welfare recipient. One set is the federal Canada assistance plan regulations which talk about the manner in which the program is to be administered and the fact that there is to be voluntary placement in training or work positions.

There is a second aspect to this, and that is provincial Saskatchewan assistance plan regulations which also talk about how the program is to be administered, but determine that and state clearly that it's the obligation of a recipient to pursue all possible opportunities to improve their situation, including — and it specifies including — training, jobs, rehabilitation, and other such self-support programs.

So when in the year under review if someone, based on the plan that is determined between the social worker and

the recipient for that person, if the person after many — and I stress this — many clear opportunities for taking training or assistance or getting a subsidized job, ultimately after a long series of dealings with that person, refuses every step of the way, then the person can be cut off and is cut off.

Mr. Lyons: — So in other words, in answer to the question — let me make this clear — in answer to the question, are persons required . . . is it mandatory for people to take part in New Careers Corporation jobs, your response to that is yes, it's mandatory.

Mr. Kutarna: — It's mandatory, but the context must be understood. It must be in the context of a plan for self-sufficiency for that person. So we do not arbitrarily take a decision on a person for one opportunity and cut him off. We do however work out a plan with an individual on assistance, so that as that plan unfolds, that person agrees with that plan. And the plan might involve training or it might involve appearance at a new careers project or a subsidized job with some other employer, a municipality or a business in Saskatchewan.

If after the full development of that plan, the person has not expressed a clear willingness to do it, then they are subject to cut-off. So my answer is yes, but there is a context that we must remember this in.

Mr. Lyons: — Okay. If the person does not agree with the plan as outlined in terms of dealing with the New Careers Corporation — for example, I don't want to go and work for somebody in Watrous that's building a spa; or I don't want to go to work in a golf course in Elbow; or I don't want to go and pull roots in Prince Albert; and I disagree with that plan, are you saying that the person will then at the discretion of the department be cut off, and that that relates to the mandatory nature of the plan?

Mr. Kutarna: — Mr. Chairman, if the person disagrees with the plan, we first find out why that is. We work with that person to learn the reasons for that. There might be illness; there might be some reason that they cannot do that, and so we work with that individual. But if there is no good reason, then they are in violation of the regulations under the federal and provincial Acts, and a person can be cut off.

Mr. Lyons: — Who makes the determination of that reason? Is it the department or is it the individual themselves?

Mr. Kutarna: — It's a mutual approach, but ultimately the decision is the department's.

Mr. Lyons: — In other words, it is not voluntary by the individual?

Mr. Kutarna: — It is, Mr. Chairman, voluntary in the sense that the person works with the department to come up with a plan, a plan of self-sufficiency. And really I know of no case where someone has disagreed with their plan, because it does take into account their needs, their interests, their abilities and so on. But if ultimately, after the conclusion of that plan, if the person does not follow that plan, and if after we've explored all the potential

reasons that they wouldn't follow that plan, they still refuse, then they will be cut off. Even at that point, they have an appeal process that is possible. There is a provincial and municipal appeal board structure which allows them to appeal.

Mr. Lyons: — Okay. One final question. Again I repeat: the voluntary nature of the program in regards to the New Careers Corporation, i.e., the work-for-welfare corporation, does not exist. That it, in ultimate — and just judging from what you've said here — that ultimately, the ultimate determination rests not with the individual, which is the real voluntary determination, but in fact rests with the department, which I would submit would be the mandatory determination . . . (inaudible interjection) . . . No, that was a question. Do you agree with that statement?

Mr. Kutarna: — Mr. Chairman . . .

Mr. Neudorf: — Mr. Chairman, on a point of order, do you believe that that statement is opinionated, is it not?

Mr. Chairman: — Well, there's different ways to ask questions.

Mr. Neudorf: — Yes.

Mr. Chairman: — The point of order is not well taken.

Mr. Martin: — It seemed to me that he said it was a mutual . . .

Mr. Lyons: — No, I was asking, in the final analysis . . .

Mr. Chairman: — Why don't we let Mr. Kutarna answer the question if you will.

Mr. Kutarna: — Mr. Chairman, perhaps the best way to answer the question is to use an example. If an individual works with one of our social workers to determine the self-sufficiency plan, they will come to a conclusion as to what that plan is. I mean, the person either goes to training or goes to school or agrees to take a subsidized job with a corporation like New Careers or with a community or some other employer in Saskatchewan, and that person works with the social worker as they progress along this plan.

But if, after some reasonable — and we believe it's reasonable, because we spend a lot of time with these people on these plans — if after a reasonable period of time, there is clearly no sign of the individual taking any steps whatsoever to improve the situation, then they are subject to being cut off.

Mr. Martin: — By the way, I want to thank Mr. Lyons for being part of the discussion. It's nice to have the involvement of both sides in these kinds of discussions and it's, I think . . .

Mr. Lyons: — There's no sides here, Beatty, we're all members of the committee.

Mr. Martin: — Well then it's important that every member of the committee take part in these discussions,

and so I thank Mr. Lyons for taking part.

These regulations that you were referring to here, are those new regulations as of '86, you know, the year under review? Or how far back do those regulations go, and has this been a policy? Was that a new . . . those regulations in place just that year, or how long?

Mr. Kutarna: — Mr. Chairman, the regulations have been in place since the beginning of the Canada assistance plan, which I believe was 1966, and the Saskatchewan assistance plan regulations have been in force for the same length of time.

Mr. Martin: — So it's not a new policy.

Mr. Kutarna: — No, it is not.

Mr. Wolfe: — There's been no change since 1982?

Mr. Kutarna: — No.

Mr. Wolfe: — None whatsoever?

Mr. Martin: — I think, though, that the question was: how many of these persons were cut off refusing to attend a work-for-welfare review interview or refusing to take a work-for-welfare job. So I guess this . . . we asked those questions; I guess we should have the answers for those.

Mr. Kutarna: — Mr. Chairman, this is one question that in the year under review, statistics were not kept on the reasons for being cut off.

Mr. Martin: — Okay. Well we can move on then to number nine, I guess. Number nine: could you provide a breakdown with a number of . . . oh well, you've . . . other reasons why persons were cut off social assistance during the year under review. Do you feel that you've answered that adequately during the last discussion?

Mr. Kutarna: — Just with one clarification, Mr. Chairman, the department did not keep statistics for cut-off during that year, but there are many reasons why a person will leave assistance, and so . . . for example, I have a list of about 25 different reasons a person might withdraw the application: there might be employment reached; they might have received a maintenance order, and so on. So those were cases-closed reasons as opposed to cut-off reasons.

Mr. Martin: — Could you read any of those into the record?

Mr. Kutarna: — A person might leave assistance; they might withdraw their application. There might be, if after the application has been received and a review of the assets and income has been undertaken, there might be a budget surplus, and so the application might not proceed. There might be the death of the applicant. They might have received an automatic enforcement of a maintenance order. They might have secured employment. They might have found a rehabilitation project or program. They might have left the province.

Sometimes individuals refuse to provide the information.

There might be assets which were not disclosed at the beginning of the application. The person might be found to be the responsibility of the federal government, for example, Indian reserve resident.

It might be someone who is married or who has a common-law spouse. There might have been a reconciliation with the spouse. They might have transferred to the old age security system.

They might have been institutionalized in some way. They might have . . . It does happen — people disappear and their whereabouts are unknown. And they might have received an employment placement. So there are many reasons that a person leaves the assistance system.

Mr. Martin: — I'd like to know how many people — and this is actually going back to number eight — but in work in lieu of welfare, how many people in the year under review actually got involved in that program and stayed off welfare? Is that something that you need to come back with later or is it . . .

A Member: — I think we have that.

Mr. Martin: — Oh, you have it handy?

Mr. Wolfe: — I was just curious, while you're looking for that information is there an appeal process for those people that aren't successful? Let's say they don't agree.

Mr. Kutarna: — Yes. In effect, every decision of the department is appealable to the local appeal structure. If that is not satisfactory, then the person can proceed to the provincial appeal structure.

Mr. Wolfe: — What's the local appeal structure?

Mr. Kutarna: — Mr. Chairman, in each of the locations where we have a regional office we'll have what we call a district appeal board. So an individual who feels that a decision of the department is not the proper one, can take their situation to that appeal board.

Mr. Wolfe: — How are those board members selected? Who chooses those board members?

Mr. Kutarna: — Okay, Mr. Chairman, they're selected from the community, and our understanding is that it's done by a minister's order.

Mr. Wolfe: — So there's a request from individual communities to have people placed and then they're okayed by the minister through the minister's office.

Mr. Kutarna: — Yes.

Mr. Wolfe: — And what's the provincial one, also, the provincial appeal?

Mr. Kutarna: — The provincial appeal board is the second tier of the appeal system. If a person feels that the first level of the appeal system is not a satisfactory resolution of their situation, then they can take it to the provincial appeal board.

Mr. Wolfe: — And what kind of a time frame are they looking at? Let's say a person applies for assistance, isn't successful, appeals it, appeals it to the local board, and then has to appeal it to the provincial board. What kind of time frame are they looking at? And is there a way that we can assist those people from the initial application until such a time?

Mr. Kutarna: — Mr. Chairman, typically the local appeal board will meet within two to three weeks of receiving the first indication, and after that, if it goes to the provincial appeal board, it might be a further two to three weeks. But in the interim there is the ability to authorize interim assistance to the person. So while the appeal is pending, the department is authorized to provide assistance to individuals, prior to that appeal.

Mr. Chairman, in response to the numbers, I was asked the numbers of jobs under the work in lieu of welfare programs, three separate components: there was a program during that year called the Saskatchewan employment development program which created 2,047 jobs; there was the Canadian jobs Strategy which created approximately 1,100 jobs; then there was an employment support program which created 1,086 jobs.

Mr. Martin: — Was the employment support program, was that federal or provincial because the Canadian . . .

Mr. Kutarna: — That was a provincial program.

Mr. Martin: — Provincial program. The Canadian Jobs Strategy was federal.

Mr. Kutarna: — Canadian Jobs Strategy was a federal component of the employment development program.

Mr. Martin: — What was the last figure you gave me?

Mr. Kutarna: — 1,086 jobs.

Mr. Martin: — I get the feeling from, particularly from your last answers from Dr. Wolfe, was that the system really does work in that respect. We're talking the year under review. People have adequate potential to have their cases reviewed and nobody's left out there hanging on a hook because they didn't have adequate opportunity to pursue their problems and . . . So the system is — going back through, as you say, back to 1966 — seems to be working well.

Mr. Kutarna: — Well, Mr. Chairman, in my opinion there have been several thousand opportunities created, and the staff members who work with the clients report that there is a satisfaction with working rather than being on assistance, and so there's a clear message to the department from the individuals. There is.

Mr. Martin: — I think that the people who do this kind of work, the staff workers, deserve a lot of credit because it can't always be easy work. Now moving on to . . .

Mr. Wolfe: — I'm just curious how those numbers of opportunities compare with previous years or even the preceding year. Is there an increase in opportunities there?

Mr. Kutarna: — Mr. Chairman, our analysis shows that it would be an increase of about 600 job opportunities over the previous year — 600 more jobs in '86-87 than the previous year under this program.

Mr. Wolfe: — That's fairly significant, isn't it?

Mr. Kutarna: — It would be approximately a 10 per cent increase.

Mr. Lyons: — Ten per cent of what?

Mr. Kutarna: — Ten per cent in numbers of jobs created under this program in '86-87 as opposed to the previous year.

Mr. Lyons: — What percentage of that would be the people who were receiving social assistance during the year?

Mr. Kutarna: — I'm sorry.

Mr. Lyons: — What percentage would that be of those people receiving social assistance during the year? The 600 — 600 as to how many people receiving social assistance during the year?

Mr. Kutarna: — Okay, the case-load at that time was approximately 30,000 cases in '86-87.

Mr. Lyons: — And how many people receiving social assistance during the year? How many individuals were receiving social assistance?

Mr. Kutarna: — The 30,000 cases would represent families, and we'll get the number on how many people that represents.

Mr. Chairman, the total case-load in '86-87 was approximately 30,000, and that would represent 30,000 families. So the total beneficiaries — people in those families — would total 61,400 during that year.

Mr. Lyons: — And what was the . . . was there an increase in that number over the year before, the '85-86?

Mr. Kutarna: — The case-load was declining, so there would be a drop of approximately 200 cases from the previous year.

Mr. Lyons: — And was that a drop in individuals?

Mr. Kutarna: — I'm sorry, a drop in . . .

Mr. Lyons: — Was that a drop in individuals?

Mr. Kutarna: — And also a drop in individuals of about 300.

Mr. Lyons: — Could you give me those numbers again, please — '86-87 — the case-load and the number of individuals?

Mr. Kutarna: — Case-load in '86-87, 30,000; individuals, 61,400.

Mr. Lyons: — Yes, and '85-86?

Mr. Kutarna: — In '85-86, case-load, 30,256; individual beneficiaries, 61,760.

Mr. Lyons: — So there was a drop of 200 in the case-load and 300 individuals.

Mr. Kutarna: — Yes.

Mr. Lyons: — The 200 case-loads represents 300 individuals?

Mr. Kutarna: — Yes. Yes, Mr. Chairman. A case refers to a family, and when I say beneficiaries, I mean the individuals in that family.

Mr. Lyons: — Okay. A single person also is a case-load. right?

Mr. Kutarna: — Yes, a single employable individual, that's a case. Yes.

Mr. Lyons: — Do you happen to have the numbers for '84-85, by the way, just for comparison purposes?

Mr. Kutarna: — Mr. Chairman, I do not have the number of beneficiaries, but I do have the total cases for '84-85.

Mr. Lyons: — Is that the case-load?

Mr. Kutarna: — Oh, we have found the beneficiaries as well — 30,303 cases; 61,700 beneficiaries.

Mr. Lyons: — So it's 30,331?

Mr. Kutarna: — 30,300 cases; 61,700 beneficiaries.

Mr. Lyons: — So the number of beneficiaries remained the same between '84-85, '85-86 — sixty-one seven.

Mr. Kutarna: — Approximately the same, and there was a drop of about 50 cases from the previous year.

Mr. Lyons: — So the total amount of money spent through New Careers and through those job placement schemes represented roughly either 1 per cent of the total number of beneficiaries on social services, or to make it a best case, 2 per cent . . .

Mr. Kutarna: — The 600, Mr. Chairman, was the increase in jobs. It wasn't the total jobs.

Mr. Lyons: — Represent one of . . . but that's what I'm saying. In terms of an increase, the percentage increase was between 1 per cent of the total beneficiaries and 2 per cent of the actual case-load.

Mr. Kutarna: — Just a further clarification, Mr. Chairman. One has to remember that about half of the case-load is considered unemployable, so the analysis that you do has to be concerned with the employable section of the case-load as opposed to the unemployable section.

Mr. Lyons: So there's 15,000 case-load. How many

people are unemployable?

Mr. Kutarna: — In the year under review, Mr. Chairman, there would be about 16,000 unemployable and about 14,000 fully employable.

Mr. Lyons: — And that's in cases?

Mr. Kutarna: — Cases, yes.

Mr. Wolfe: — What are the major reasons for people being unemployable?

Mr. Kutarna: — Well they can be disabled, partly disabled. They can be in hospitals or sick. They can be undergoing treatment of different kinds — mental and emotional instability, things like that. They can be residents of institutions.

Mr. Lyons: — A point of procedure. The Crown investments officials are waiting out there. Shall we ask them to go home?

Mr. Chairman: — Okay.

Mr. Martin: — Number 10 — I guess that was the one that you answered before I arrived here this morning — in the year under review, was there any correspondence between the Government of Canada objecting to the operation of work-for-welfare in Saskatchewan? Did you answer that earlier?

Mr. Kutarna: — Yes, and my concern was that . . .

Mr. Martin: — I think that's already on the record. So we can move on then to number 11.

In the year under review, were you provided with any legal advice on the legality of your work-for-welfare program — it should actually be called work in lieu of welfare program — and what was the specific advice given, and from whom?

Mr. Kutarna: — Mr. Chairman, I also answered that question earlier today.

Mr. Martin: — Oh did you? Okay, that's on the record.

So we move on to number 12. How many social assistance recipients had to pay overtime at some point during the '86-87 fiscal year? What percentage of the total case-load does this constitute? Of these overpayments, how many were the fault of the department in the fiscal year under review? In other words, how many were caused by departmental errors? How many were the fault of the recipient? Of the overpayments that were the fault of the recipient, how many actually constituted fraud for which charges were laid?

Mr. Kutarna: — Mr. Chairman, for that year, the information wasn't kept as to the average annual overpayments, but we have it broken down by months. So as an example, in April of 1986 about 25 per cent of the cases had some type of overpayment. Now the overpayment can be due to several factors, and I think that that's the second part of the question. And the way

we measure that is not in overpayments but in the departmental error rate.

So I'm drawing a distinction here; there's a different calculation used. The departmental error rate for that year indicated that about three-quarters of all of the errors found were the responsibility of the recipient, and about a quarter of the errors found were the responsibility of the department.

Mr. Martin: — What would be a typical . . . or is there such thing as a typical error made by a recipient? They can't count, or what?

Mr. Kutarna: — The major reasons for what we call "client error" would be unreported income; and secondly, living arrangements — unreported spouses or common-law relationships, and other relationships.

Mr. Martin: — Those would be . . . because you call them errors, they would therefore be not necessarily intentional.

Mr. Kutarna: — In the client errors, Mr. Chairman, they may be intentional; they may not be. In some cases, for example, unreported income, it is possible for an individual to not be aware of some income which later comes to light, but it is also possible for an individual to be not reporting that deliberately, and both occur. Similarly, with the marital arrangements, some people are not clear as to the reporting requirements, but others are very deliberately not stating their relationship with someone else.

Mr. Martin: — And it's where they're doing this deliberately that fraud charges would be laid. I think there was a question here as to how many actually constituted fraud. Do you have the answer to that?

Mr. Kutarna: — No, fraud is very difficult to prove, and we do have fraud cases which are taken to their full prosecuting extent. But we also have situations where the calculation or the true income situation or the true living arrangement comes to light and it's corrected by means of the overpayment mechanism.

In some cases where a deliberate effort is made not to report to us or to hide the information, then a full investigation and a fraud charge is laid. So in that year, for example, there were in the Saskatoon area — and we don't have complete statistics for Regina because there was an operational change going on there so we don't have the full stats — but in the Saskatoon area, 157 cases were referred to the police for possible fraud charges.

Mr. Martin: — What resulted as a result of those charges?

Mr. Kutarna: — For that year, it was difficult to calculate because the investigations would go on; some of them for a short period of time, some for a longer period of time, and so it's difficult to pin down for that year.

Mr. Chairman, the estimate that we have is that about 80 per cent of the charges that are laid ultimately end in a conviction.

Mr. Martin: — And the . . . (inaudible interjection) . . . Excuse me. I think you said 157 cases. What was the investigations involved?

Mr. Lyons: — No, how many charges were laid?

Mr. Kutarna: — We don't know for sure because of the length of time of some of the investigations. Some of the investigations may take a long time.

Mr. Lyons: — In the year under review, sir . . .

Mr. Martin: — Excuse me: I've got the floor. You'll have a chance to come back after.

Okay, now let's move on to . . .

Mr. Lyons: — Mr. Chairman, on the point that Mr. Martin raised . . .

Mr. Chairman: — Is that okay, Mr. Martin, if Mr. Lyons pursues this particular point before we move on?

Mr. Martin: — Sure, go ahead. Bob.

Mr. Lyons: — I want to know, in the year under review, how many charges of fraud against Social Service recipients were laid?

Mr. Wolfe: — Wouldn't that be a more appropriate question for the Department of justice?

Mr. Lyons: — No, no. The department turns the matter over to the department; they follow through; this department is responsible for following through.

Mr. Kutarna: — Mr. Chairman, that information wasn't collected for that year, but we can make an effort to contact the various police departments involved and get an estimate of it. I repeat that my estimate was that about 80 per cent typically end up in an actual conviction.

Mr. Martin: — About 80 percent end up in a conviction.

Mr. Kutarna: — Yes.

Mr. Martin: — And that's pretty general?

Mr. Kutarna: — Yes.

Mr. Lyons: — Eighty per cent of the charges that are laid?

Mr. Kutarna: — Yes, right.

Mr. Lyons: — Okay, to make an estimate of 80 per cent of the charges that are laid, one has to understand how many charges were laid. I want to know: how can you make a statement that 80 per cent of the charges that are laid end up in conviction when you don't know how many charges were laid?

Mr. Kutarna: — I make that statement, Mr. Chairman, because it's been the long-term pattern that 80 per cent of all charges laid result in a conviction.

Mr. Lyons: — In other words, there has been this tradition

in the department to follow through on cases; that those charges which are laid or which have been turned over to investigation, those cases are followed, and there is some record kept of the number of cases of charges that are laid. The question, I repeat, sir, is: are you saying that the department did not keep a record in '86-87 of those files that they turned over for prosecution or for investigation?

Mr. Kutarna: — During the year under review, statistics were not kept as to the 157 cases that did result in a fraud charge. But that information can be retrieved by us contacting the various police departments, and so it can be easily put together.

Mr. Lyons: — And when you say the fraud charges, are you talking the cases that were turned over to investigation, or to those cases which were actually . . . a charge was laid against an individual in the court of law in Saskatchewan?

What's the number, 187?

Mr. Kutarna: — 157 refers to the number of cases referred to the police in the Saskatoon area for that year. However, the estimate is that of all cases referred, 80 per cent result in a fraud conviction.

Mr. Lyons: — So you're saying that 80 per cent of the 157 results in a fraud conviction?

Mr. Kutarna: — That's the typical pattern over the years.

Mr. Lyons: — Or is it 80 per cent of the actual charges which are laid against an individual? I just want to be clear on this.

Mr. Kutarna: — Mr. Chairman, it's the latter. It's the 80 per cent of the charges result in a conviction.

Mr. Lyons: — Yes, okay. But 157 weren't the charges that were laid; those were the number of cases that were referred.

Mr. Kutarna: — Yes, right.

Mr. Lyons: — Okay, out of that 157 in the Saskatoon area, using the number, how many charges were laid against those 157 cases?

Mr. Kutarna: — That's the information that we don't have; that's the information that I'll have to retrieve from the various police forces.

Mr. Lyons: — Which police forces?

Mr. Kutarna: — Well it could be the RCMP, for example, if it's in the Saskatoon rural area, or it could be the city police within Saskatoon, or Warman, or something like that. So we would need to contact the various police forces within the Saskatoon region.

Mr. Lyons: — Just 150 — even in that area — how many individuals would be involved in the Saskatoon area?

Mr. Kutarna: — While we're looking for the answer, there will be a difficulty because of the difference in the

structure of the region. So in '86-87 the Saskatoon region is different than the current Saskatoon region in size. But we'll attempt to find that information for you.

Mr. Lyons: — But in '86-87 the same number of people that you refer to of 157, what percentage of that represent . . . maybe I'll ask the question so it's easy. Of 157 people who were charged, what percentage of that represent of social services . . .

Mr. Martin: — A hundred and fifty-seven cases were referred to the police. We don't know what the number of charges were yet.

Mr. Lyons: — Yes, I understand that, Mr. Martin. Of 157 cases that were referred, what percentage of that were of social service recipients in that region?

Mr. Kutarna: — Okay, Mr. Chairman, the estimate of case-load in the Saskatoon region would be about 9,000 cases for that year. So the 157 would be against the 9,000. But keep in mind that the 157 are those cases which have been referred to the police. There are other overpayments which represent wilful or deliberate withholding of information, but they have been handled in the overpayment mechanism. So there's another step to this process, which is the prosecution process, for those who clearly do not intend to give us the information accurately.

Mr. Lyons: — Right. But of the 157 there were fewer actual people actually charged with fraud. The point I'm trying to make, and I think that you'll agree, is that the percentage of people who actually commit legal fraud and are charged and convicted in a court of law, those social service recipients, is what? — less than 1 per cent of the total social service recipients in the province.

Mr. Kutarna: — It would be . . . if your question, Mr. Chairman, is the actual number who commit legal fraud.

Mr. Lyons: — And are convicted.

Mr. Kutarna — . . . then it's that percentage, 157 over 9,000. However, the error rate calculation which indicates that three-quarters of the errors, i.e., overpayments, payments to which an individual is not entitled, also must be taken into account.

Mr. Lyons: — No, but the 157 isn't the number of people who were convicted of fraud. That's just the number of people that have cases referred.

Mr. Kutarna: — Yes. No, I understand that, but whatever that number is over the 9,000 will represent the percentage.

Mr. Lyons: — So it would be less than 1 per cent, basically.

Mr. Wolfe: — The cases that are referred of the applicants that . . .

Mr. Lyons: — People convicted, that's all.

Mr. Wolfe: — But the three-quarter . . . the number of errors would be what kind of number, compared to the 9,000, do you have any idea? which result in overpayment subtractions.

Mr. Kutarna: — Mr. Chairman, the error rate for that year was approximately 10 per cent. That would represent about \$20 million. Three-quarters of that would be client-generated errors. So \$15 million that year would have been client error.

Mr. Lyons: — Is this provincial statistics on a province-wide basis?

Mr. Kutarna: — Province-wide statistics, yes.

Mr. Wolfe: — I'm curious about the cases that go through and charges are laid. What kind of charges are these people looking forward to if they're found guilty of fraud?

Mr. Kutarna: — Did you refer to the sentence or to the . . .

Mr. Wolfe: — The sentence or the fine or whatever. I really don't know what those figures are or what they might be.

Mr. Kutarna: — In some cases it would be restitution is ordered; in other cases, a jail sentences; in some cases, both.

Mr. Martin: — I think it's a credit to the caseworkers that there's so few cases of fraud laid when you look at the number of people on social services. Somebody's doing a good job out there.

I'm wondering if, because it's almost 10:30 and — I mean I'm not finished asking questions here; I want to pursue this — so should we shut her down now, or do you want to move on to question 13?

Mr. Lyons: — I've just got one more question that relates to this — the \$15 million. Of the \$15 million, what percentage of that is the total expenditures made by the Department of Social Services in the year under review?

Mr. Kutarna: — It would represent, Mr. Chairman, about 5 per cent of the total expenditures. The total expenses that year would be about 350 million in all programs, not just income security.

Mr. Wolfe: — What about income security? What percentage of income security?

Mr. Kutarna: — It's about seven and a half per cent of the income security expenditure — SAP (Saskatchewan assistance plan).

Mr. Wolfe: — And that's the errors. That wouldn't include the ones that have gone on to have charges laid. So they might be over and above this?

Mr. Kutarna: — It would include them.

Mr. Wolfe: — It would include them.

Mr. Kutarna: — Yes.

Mr. Martin: — Well, I'm quite prepared to settle it now . . .

Mr. Neudorf: — Mr. Chairman, I just wonder if I could direct a few comments to the officials from Social Services who are probably wondering at this point what happened to them in terms of what their projections were when they walked into this meeting, and here they are obviously going to be called back for the next session as well.

When I look at the agenda the way it was handed to me, I guess yesterday it was and probably to the other members as well, I noted CIC (Crown investments corporation of Saskatchewan) was scheduled. I noted that Highways was scheduled, and Social Services was scheduled; Health was scheduled, and the Environment was scheduled in an hour and forty-five minutes. And the sums, when I look at the combined funds in the summary of revenue and expenditure, I find out that that's almost \$2 billion of expenditures of public funds. And to do that in an hour and three-quarter, I don't think this committee would be doing justice at all to the people of Saskatchewan.

That is why I initially recommended that we . . .

Mr. Chairman: — Do you have a question for the department, Mr. Neudorf?

Mr. Neudorf: — Yes, I did . . .

Mr. Chairman: — Can you put your question?

Mr. Neudorf: — I prefaced my remarks, Mr. Chairman, by saying that I thought I owed the Social Services officials an explanation.

Mr. Chairman: — I don't think we owe the department any explanation . . .

Mr. Neudorf: — I feel I do, Mr. Chairman, and I am prepared to follow up . . .

Mr. Chairman: — . . . you know, they're here to answer questions. They're here to answer our questions, and they're not here to listen to your explanations as to why they're here and why they're not here. And if you want to make comments to the media about what is taking place in this committee, please do so.

Mr. Neudorf: — Well, I would be prepared to do that as well.

Mr. Chairman: — But find another time.

Mr. Neudorf: — But I do not like a member accusing us of filibustering as Mr. Rolfes did — off camera, perhaps — but we all heard that and I took exception to that. It takes.

Mr. Lyons: — Point of order. Mr. Chairman, these comments are totally out of . . . (inaudible) . . .

Mr. Neudorf: — We've had trouble keeping Mr. Lyons

out of this discussion because it has been an enlightened discussion. I think we've made tremendous advances here. But to be calling this a filibuster when both sides take active part as they have been doing, I think that's only beneficial for this whole committee. And I'm not prepared to wrap \$2 billion worth of public expenditures over on an hour and three-quarter as was suggested that we do. And I have some questions for these officials next day then, Mr. Chairman.

Mr. Chairman: — It's 10:30. The meeting stands adjourned till next day. I discussed this with Mr. Hopfner — will be next week Thursday, as Monday is a holiday and Tuesday morning will be a travel time for many of the members, so we'll meet again on Thursday morning at 8:30.

The committee adjourned at 10:30 a.m.