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DIRECTOR'S NOTES

Policy "Dialogue" rather than "Debate"

BY GREGORY P. MARCHILDON, DIRECTOR, SIPP



The title of this periodical is *Policy Dialogue*. It could just as easily have been *Policy Debate* but that would have been inconsistent with the purpose and spirit of this publication. Debate is, generally, a zero-sum game. The purpose of debate is to win the argument on its merit – the evidence produced and the logic – and the style of presentation including the points you can score off your opponent, humorously or otherwise. It is stylized combat with little quarter given to your opponent or your opponent's argument and assumptions. At its best, debate can produce new arguments and new ways of seeing existing problems but, at its worst, debate encourages evidence to be exaggerated and the truth twisted. At its most boring, debate simply raises old arguments in the same old ways. For all of these reasons, policy debate often generates more heat than light. You don't have to look far to see examples of this, including the current debate over climate change, the subject of four of the essays in this issue of *Policy Dialogue*.

Dialogue involves a fundamentally different approach to understanding public policy. It starts from the assumption that all of us, no matter our expertise, still have much to learn. Rather than a competition among fixed ideas, dialogue involves the revealing of hidden assumptions, the incorporating of new evidence, and the willingness to change conclusions in light of what has been learned. A "policy dialogue" should be a respectful and balanced sharing of perspectives among experts, decision-makers and the general public. In a democracy, the people are, ultimately, the final decision-makers, and despite the fact that they may not be experts in a particular policy domain or have the responsibility to implement policy on a day-to-day basis, they must decide on the future direction of their governments and societies.

In the spirit of dialogue, we present here a number of policy issues which are important to our future as a country and as provincial polities within the Canadian federation. As in previous issues, our hope is not only to shed some needed light on key policy issues but encourage a larger discussion in the community at large. So whether the topic is what we should do about global warming, or how we should rearrange our electoral systems to improve the state of our democracy, or how we can structure medical education to achieve public health care reform, I hope that we will have more of a dialogue than a debate. ~

Cover photos courtesy of
Dave Sauchyn.

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SEARCHING FOR DEMOCRATIC VITALITY

An Analysis of Electoral Reform

BY JOHN D. WHYTE & ANDREW D. IRVINE

Uneven participation rates in Canada's electoral process have prompted supporters of proportional representation to call for a variety of electoral reforms. The authors analyze some of these proposals, arguing that they are likely to cause more harm than good to Canada's system of responsible government.

A number of suggestions have been made recently about how to adjust, or reinvent, various aspects of the political process in Canada. Most political commentators don't say why they believe citizen engagement in democratic life has declined, but many believe that a decline has occurred. Nor do they pay much attention, should this decline be confirmed, to what may be causing it. But this has not stopped Canada's reforming class from proffering solutions. In recent years, one dominant hypothesis seems to have emerged: low participation rates in Canada's political processes, it is said, must be the result of Canada's reliance on the first-past-the-post electoral system.

Of course, participation rates are, and always have been, uneven. Saskatchewan's most recent election and the current American primaries show that when electoral results may shape the future and affect lives and interests, voter participation can rise significantly. So perhaps low participation is not so much structural as it is political; it reflects the failure of most political discourse to touch on, in an authentic and meaningful way, the issues that people face as they pursue their lives. It is, admittedly, a more certain fact that younger people, and poorer people, do not vote at the same rate as older members of the middle-class. This could be due to a greater acuity on the part of the young and the poor with respect to the disconnection between the political banalities of much election campaigning and their actual needs and interests.

Even so, it is widely believed among the politically involved that changes to the electoral system will produce greater voter turnout and, hence, greater political engagement. In particular, it is conjectured that citizens may be more likely to vote under systems of so-called proportional representation (or PR) than they are under systems using first-past-the-post. The basic reasoning behind this conjecture is relatively straightforward: under a system of PR, no votes are "wasted." In short, the number of party

members elected to Parliament, or to a legislature, will be roughly proportional to the total number of votes received by that party during an election. If 43% of voters vote for party A, then (roughly) 43% of the seats in Parliament will be given to that party. If 8% of voters vote for party B, then (roughly) 8% of the seats will be given party B.

There are three reasons why advocates believe that PR will overcome voter apathy. First, in a first-past-the-post electoral system, many voters may be dissuaded from voting in ridings in which their candidate cannot possibly win since their votes will count for nothing in choosing the make-up of the legislature. In contrast, a voting system that translates votes more-or-less proportionally into seats takes account of most voters' preferences and so induces electoral participation. Second, the poor relationship between the votes that weaker parties get and their disproportionately lower number of seats in the legislature may breed cynicism about the electoral process's democratic legitimacy and, hence, may lead to withdrawal from voting. Third, a system that converts almost every vote into representation induces the formation of parties that pursue specific interests of groups of voters and voting comes to be seen as expressing more specific preferences. This may attract more intense political loyalties and, hence, greater political engagement.

While some of these claims have a certain degree of plausibility, it is unclear that the major demographic sites of voter disengagement would automatically be won over to active political life by the implementation of systems of proportional representation. Initiating political groups is often a time-consuming, sophisticated and expensive enterprise and is hardly available to every social interest. Furthermore, success under PR – placing members of your interest group in the legislature – does not necessarily lead to

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“In a nutshell, systems of proportional representation typically return free-spending governments that, once in power, are difficult to remove.”

the kind of political success most voters want. Not all minority voices, even when represented in a legislative body, have the kind of influence that results in changes to the legislative agenda.

An even greater concern about PR is that it is being proposed without careful attention to its implications for Canada's system of responsible government. This failure is common to other proposals for democratic reform, including the election of Senators and the introduction of fixed election dates. Responsible government is premised on the idea that to keep its authority a government must maintain the support of its legislature. In short, governments must have the support of a majority of the legislature's members on every important vote. This support is needed with respect both to the government's executive actions (at least, any time that administrative actions can be challenged by vote) and its legislative program.

Not all of the world's democratic legislatures have been designed to satisfy this condition but, in Canada, governments have no power – and no legitimacy – other than that given to them by a majority of our elected representatives. Without the support of this majority, governments have no fixed term of office, no veto power, and almost no executive prerogatives. What this means in practice is that proposed democratic reforms must not make it impossible or unlikely for elected governments to obtain regular and predictable majority support. They must allow governments to remain responsible to the people's elected representatives. But rather than increasing the power of elected representatives to supervise governments and review their legislative programs, some suggested reforms would in fact decrease this power. Fixing the date of the next election, for instance, makes it less likely, and less legitimate, for legislators to call governments to account for their actions. Electing the members of both chambers of a bicameral legislature weakens the significance of government defeats. Some reforms can decrease, rather than increase, government accountability.

Proportional representation works in a similar way. By reducing the likelihood of there being a majority government, it becomes more difficult for citizens and their representatives to hold governments accountable. Some reformers believe that this leads to better parliamentary democracy, that it encourages governments to seek the support of members of other parties on a daily basis through constant accommodation and compromise. In fact, this situation more often leads to weak and incomplete – or even incoherent – legislative programs. It also leads to secret deals

being struck between the governing party and other parties. This in turn undermines democratic accountability because it becomes impossible to assign clear party responsibility to any given legislative program. As some of the most extensive electoral studies show (for example, see Torsten Persson and Guido Tabellini's book, *The Economic Effects of Constitutions*¹), PR almost inevitably leads to increased government spending. New programs, expanded budgets, and deficit financing all regularly result from the need to accommodate divergent party interests.

There is also one final reason to distrust systems of PR, one that is very often overlooked. This is that the major so-called flaw of first-past-the-post systems of representation – namely that relatively small changes in the popular vote lead to relatively large changes in party standings – is actually its greatest advantage. Practically speaking, it is these exaggerated swings in party standings that are the only thing that allows the electorate to throw tired and corrupt parties out of power.

As Andrew Coyne has reminded us in one of his many spirited defenses of PR, “It's true that [systems of proportional representation] do not typically produce one-party majority governments. Rather, they tend to be led by multi-party majorities: stable coalitions, that is, which together command the support of a majority of the legislature.”² But far from being a good thing, this kind of amalgam government based on brokered “stability” simply entrenches two or three parties in power forever. Unless there is an enormous swing in the popular vote, the magnitude of which is seen perhaps only once in a generation, elections will continue to return exactly the same parties to power, albeit with slightly different standings. Unless these standings change much more dramatically, it will be these same parties that will continue to negotiate – and will continue to be driven to negotiate – the same tired, ineffective legislative agendas. First-past-the-post is the single effective electoral tool that is compatible with Canada's system of responsible government and the electorate's prerogative to “throw the bums out.”

In a nutshell, systems of proportional representation typically return free-spending governments that, once in power, are difficult to remove. For many of us, this is a less-than-welcome consequence. ☞

ENDNOTES

1. Torsten Persson and Guido Tabellini, *The Economic Effects of Constitutions*, Cambridge, Mass.: MIT Press, 2003.
2. *National Post*, 29 September 2007, A21.

PRIMARIES

Never in Canada!

BY DAVID E. SMITH

Introduced early in the last century, primaries were intended to move nominations out of the backroom and into the hands of party members. In 2008, they have done this in spades. Presidential primaries do something else: they require that candidates of both parties prove themselves in states large and small. At the end of day no one can say “Barack (or John) who?”

In the United States 2008 is a ‘big’ year – the year of a presidential election, made bigger still by the fact there is no incumbent in the race. Observers might be excused for thinking that the presidential election campaign has been under way since the last ‘off-election’ results came in following the congressional elections in November 2006. Non-stop campaigning, or at least positioning and strategizing, with the aim to win the next race has become a much noted and criticized feature of U.S. politics.

Long gone are the days when presidential hopefuls sat on their front porches and refused to campaign because to solicit their fellow citizen’s vote was considered demeaning. Gone, too, are the regional and national whistle-stop tours of the ’40s and ’50s when candidates spoke to a few thousand Americans from the platform of their train’s observation car, and then waited – to see how effective they had been – until one or other of the national party conventions made its choice in July or August of election year.

After 1960, jet aircraft and television accelerated the tempo and broadened the exposure of candidates but with contradictory results: the appeal intensified at the same time the campaign lengthened.

The change was evident in the campaign of 1960, which ultimately produced John Kennedy and Richard Nixon as the respective Democratic and Republican candidates. That year on television, the first leadership debates and the arrival of image politics worked against Nixon, Eisenhower’s vice-president and the man of experience. JFK’s photogenic good looks, along with a war record of personal courage, gave him an edge which, paradoxically, his religion reinforced. Could a Roman Catholic occupy the White House and not take orders from the Vatican? That question kept Kennedy in the spotlight, a place where most candidates like to be. (An absurd charge, perhaps, but religious bigotry knows no boundaries: it helped bring down the Liberal government of

J.G. Gardiner in Saskatchewan in 1929, when Gardiner’s opponents claimed – successfully, as it turned out, thanks to the intervention of the Ku Klux Klan – to see the hand of Rome in the religious insignia found in the province’s separate schools.)

The 1960 campaign produced the original political blockbuster, Theodore White’s *The Making of the President*. The winning candidate for president must take over 50% of the votes of the electoral college, that body which, under the United States Constitution, meets not as a unit but individually in each of the 50 states to cast its ballots. Failing to produce a majority candidate throws the selection into the hands of the Congress where each state has one vote only. This scenario explains the strategy of cheerful losers like Ross Perot, and Strom Thurmond before him – in the Congress they, and not the people’s chosen, become kingmakers.

States are the building blocks for much of the Constitution. That has always been the case, but in 1960 a new understanding of this truth became evident when Kennedy used the primaries, famously in Protestant West Virginia, to demonstrate that his religion was no bar to election.

A primary election is an election in which voters in a jurisdiction select candidates for a subsequent election. Canadians have to think hard when they read that statement because they are unfamiliar with the practice – there have



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KEEPING THE ROOF ON

Questions for Darrell Jones

BY PATRICIA W. ELLIOTT, ASSISTANT PROFESSOR, UNIVERSITY OF REGINA SCHOOL OF JOURNALISM

Saskatchewan Housing Corporation president Darrell Jones keeps a cool head in overheated times.

Is there a housing crisis?

Our population is growing. With a stronger economy, young people are finding work here. Canadians are experiencing marital breakdown, so there's new household formation. This is all putting pressure on the market.

Who's impacted most?

For people who already own homes, this simply means the equity in their home is growing. The people most impacted are those in the low and even into the moderate income groups. They'll struggle the most with increasing rents because demand is outstripping supply.

How are people faring?

Saskatchewan still has some of lowest rents in Canada and some of our housing is still some of the most affordable in Canada. But the trends certainly put more pressure on that lower income group.

Is the involvement of many levels of government helpful or fragmentary?

Overall it's helpful. As the challenge of providing housing for the growing population escalates, the more funds that can be brought to bear from various levels of government, the more we can meet the challenge.

Is there a national standard for a decent house?

No. There are legislative authorities in place around minimum health and safety standards, and municipalities have maintenance bylaws that have some variation from jurisdiction to jurisdiction.

Is that adequate?

Certainly the standards are adequate. The enforcement is always a challenge, particularly in neighbourhoods where housing has deteriorated and is still being rented out. Unless you have a tenant bringing concerns forward, it can go undetected for some time.

First Nations organizations are very outspoken about unmet housing needs. Is the province considering becoming involved in on-reserve housing, a federal responsibility?

There was a fair bit of discussion in the media in the last 18 months, but at this point we continue to focus on off-reserve housing. There's a substantial challenge off-reserve, in terms of repairing houses in our inner city neighbourhoods and ensuring sufficient housing in northern off-reserve communities.

What was the most significant policy change of recent decades?

In 1993 the federal government withdrew its funding for affordable and social housing development. Typically Ottawa was a 75% partner on any new development, and at the time provinces were experiencing their own fiscal challenges. So there was little to no development from about 1993 to about 2001.

Has the situation improved?

In 2001 there was pent-up demand for reactivation, so Ottawa introduced new funding and requested provinces to partner. We now have the challenge of a very, very busy industry.

What recent policy developments have been important in Saskatchewan?

In 2005 we introduced the Saskatchewan Rental Housing Supplement. It linked a supplement to quality, something that's very new and, as far as I know, doesn't exist anywhere else in Canada. It's a bit more challenging to administer because it involves influencing behaviour: the tenants' behaviour in terms of making good housing choices, and giving them extra spending power to help make those choices, and also the landlord's behaviour to do the necessary repairs to retain their tenant.

Has it been effective?

It's been very well received and quite effective. Re-inspections indicate housing has been repaired. We also introduced a repair component, if the landlord needed some assistance. So that's one of the more positive programs, combined with the more straight-out delivery of affordable housing into the market to increase supply.

Recently Canada received a poor grade from the UN Special Rapporteur on Adequate Housing, who called for a return to large-scale building of social housing units. Do we now have the climate to respond?

The federal government has injected funding for affordable housing development and we also have provincial funding. So we can commit more funding, but it can only get built as quickly as the industry can build it.

So it's a matter of finding the builders.

Yes. More money is always good, but you still need to get the product in the ground.

Turning to the U.S. mortgage crisis, what's the lesson for Canadians?

Canadian lending practices have been more stringent. Certainly we've seen some increased flexibility over the last couple of years, where in certain cases people can get 100% mortgage financing, but they are covered by mortgage insurance when the arrangement exceeds 80%. So I think our environment is a bit more cautious and our economy continues to be very strong. These factors have allowed us to carry on in a very healthy way.

What's the lesson for housing policy?

When we're looking at the development of programs, we're looking at income levels and what people can afford. We have to ensure that it's affordable over the long term and that it will ride out the test of time in a changing economy.

How do you see housing in Saskatchewan five years from now?

Forecasting five years is always dangerous. But when I look across the country, Saskatchewan housing is still very affordable. There's still room for prices and rents to escalate over the next period of time, strictly from a market perspective. From an economy standpoint the outlook is very positive for Saskatchewan.

But are people being left behind?

That's one of the challenges. We only have to look as far as Alberta, where they've had a booming economy and they've certainly had their share of challenges. It will be something to keep an eye on.

What future developments could help overcome those challenges?

We can't tackle it just on one front. We have to make sure policies and programs address affordability and supply. And with supply, we can't be talking just about new houses. If an existing unit is in poor condition and has to be demolished, that's one less home.

How does new suburban development fit in?

Most new development attracts those who can afford to build new homes, but that also frees up housing in the existing market. When the economy is booming and new households are being formed, any and all new housing on the marketplace is important.



*Mr. Darrell Jones, President
Saskatchewan Housing Corporation*

MEDICAL EDUCATION AND PUBLIC POLICY

Time for Change

BY WILLIAM L. ALBRITTON, DEAN, COLLEGE OF MEDICINE, UNIVERSITY OF SASKATCHEWAN

Medical schools have been created as academic institutions of professional development and training. However, graduates of the College of Medicine in Saskatchewan have not provided the level of physician manpower expected and many are choosing to leave the province to pursue their practices. Should medical education be considered as a “general good” that will continue to provide career opportunities, or is it a “public good” that will provide the source of medical manpower for the province’s health care system?

It has been almost 100 years since Abraham Flexner produced his report for the Carnegie Institute on medical education in the United States and Canada that significantly changed the education and practice of physicians in North America.¹ The recommendations from this report were adopted by medical schools as the framework for medical education after the regulatory authorities required a degree from such a program as a requirement for licensure. This report, among other changes, recommended replacement of proprietary schools, placement of medical education in the university environment, and standardization of the medical curriculum. One result was a higher standard of medical practice that has served the public well. Another result was the tremendous advancement in medical knowledge and technology due to the academic influence of the university environment on medical education. Both results can be seen as a “public good” and are worthy of continued support.

Medical schools, however, as institutions of professional development, were created specifically to train medical practitioners and not as just another program in a post-secondary education environment where virtually all programs serve a “general good” in that the level of education is positively correlated with many positive aspects of life, such as income, enhanced participation in the political process, and even general health and welfare. This “general good” is, of course, of value to the individual and to society, but in failing to meet the “public good” for which medical schools were developed, medical education should be subject to public policy and this policy should be developed by open debate in society and not in the cloistered towers of the university by academicians. Health is essential to society and health care is a defining characteristic of Canadian society. Thus, society has a greater stake in the profession of medicine than perhaps in some other professions. Health disparities have become a defining issue in modern society and the

failure of the medical profession to respond to these disparities, as supported by the observation that 90% of health research in the Flexner model of medical education is directed to only 10% of health problems globally, suggests a need for policy change and a more direct relationship between the public and the profession.²

Health is essential to society and health care is a defining characteristic of Canadian society. Thus, society has a greater stake in the profession of medicine than perhaps in some other professions.

The two-year School of Medical Sciences at the University of Saskatchewan was a program of study that clearly reflected the “general good” in that students trained in that course completed their medical training elsewhere and rarely returned to the province to practice. The MD degree granting College of Medicine at the University of Saskatchewan, however, was established as a result of the Sigerist Commission Report³ to the government of T.C. Douglas and in addition to educating medical students the College has been integral to the delivery of health care to the people of Saskatchewan, especially tertiary specialty care. Graduates of the College of Medicine, however, have not provided the level of physician manpower expected, with barely 35% of graduates remaining to practice in Saskatchewan. Medical education in Saskatchewan, left to its own initiatives is not likely to ever provide the numbers or types of physicians needed.⁴ Similar observations have been made in the United States, as well. It is time for the public to question the policies that have contributed to this failure.

“If medical education is a “public good,” is it reasonable to expect a return of service on the financial commitment of the taxpayers of Saskatchewan?”

The concept of a “public good” in medical education is not a new concept. In 1968, J. Wendell MacLeod, the first Dean of the four-year MD degree granting College of Medicine at the University of Saskatchewan wrote an article on “education and social protest”⁵ in which he quoted Dr. Dwight Wilbur, president of the American Medical Association, in reference to the task of “relating the field of medicine to society.” In this article he went on to discuss “three areas of concern: the health manpower shortage, the cost of health care, and the disparity of health care in the population.” These areas of concern are as current today as they were 40 years ago and represent a failure of professionalism in medicine.⁶ To address these concerns, the dialogue for change to medical education has begun in both the United States and in Canada.⁷ Unless these initiatives address the current failure to supply generalist physicians to the workforce needed for primary care and the failure to distribute the physician workforce in accordance with the population distribution, we may be looking at another century of scientific advance without social accountability.⁸ The effective delivery of a new model of medical education focused on the social contract between the profession and the public will require public debate and policy dialogue. Change cannot occur without the development of such a policy framework.

If health care cannot change without a transformation in medical education equal to that following the Flexner report in 1910 and, as proposed here, medical education cannot change without changes in public policy, what issues need to be debated to develop such a new and informed policy?

Is medical education in Saskatchewan a “general good” that will continue to provide career opportunities for Saskatchewan students, or is it a “public good” that will provide the source of medical manpower for the province’s health care system? If it is a “public good,” then it must be informed by public policy.

If medical education is a “public good,” is it reasonable to expect a return of service on the financial commitment of the taxpayers of Saskatchewan or a repayment to the people of the subsidized cost of medical education for those who choose to practice elsewhere? Currently medical education in Saskatchewan is subsidized at a rate in excess of \$50,000 per year of training, or about \$250,000 per graduating student, and approximately 35% of graduates remain in practice in the province. Service obligations linked to medical education are not uncommon in other countries.

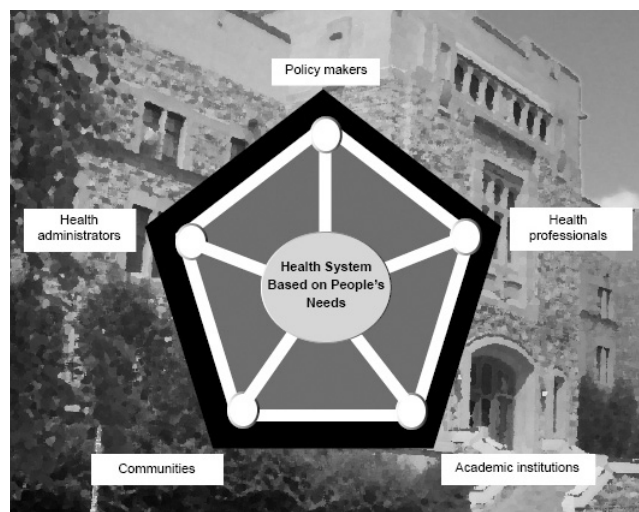


Photo courtesy of Annette Horvath.

Should medical schools be redesigned to meet the public needs for health care and thus have more public oversight than currently exists in medical schools governed by the academic environments of universities? The very success of the Flexner model has seen the evolution of the science of medicine at the expense of the practice of medicine. Students are trained in an environment of university medical centres whose practitioners and patients have little relevance to the population served.⁹ Currently, research is directed at the frontiers of science and not at the health problems faced by the majority of the public; training is focused on specialist disciplines and largely directed at urban health care needs.

Clearly, today the needed transformation in health care cannot occur without a transformative change in medical education. Such change can only occur with policy direction, even if coercive, since the profession itself, which is responsible for the education of future physicians, has failed to meet the public need in health care and demonstrates no particular responsibility in addressing the problems. Of the other partners described in the social accountability pentagram – health administrators, health professionals, academic institutions, and communities – none will likely take the necessary steps to transform the system in the absence of direction from the policy makers. ~

ENDNOTES

1. Cooke, M., Irby, D.M., Sullivan, W., and K.M. Ludmerer. 2006. American medical education 100 years after the Flexner report. *N. Engl. J. Med.* 355:1339-1344.

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SASKATCHEWAN'S COMMERCIAL CROWN CORPORATIONS

Time for a New Crown Review

BY SHELDON SCHWARTZ, CFA

Saskatchewan's Crown Corporations have been an important part of the province's history. Any discussion about their future role tends to raise emotions. This article provides one possible framework for a discussion of options for the commercial Crown corporations.

Governments of all political stripes have always had an interest and often a direct role in facilitating the provision of basic infrastructure to support social and economic development. Saskatchewan is not unusual in having established commercial Crown corporations to achieve certain public policy objectives.¹

As articulated by Crown Investments Corporation (CIC), the province of Saskatchewan's holding company for its commercial Crown corporations, "Saskatchewan's Crown corporations were established because people in the province felt government should provide certain essential services that were either not offered by private companies, or not available to all residents on a fair and equitable basis."²

"The four guiding principles were that the services provided by these government-owned corporations should be: universal, or available to everyone; reliable; of high quality; and offered at a reasonable cost."³

Where Did They Come From?

While CIC currently holds investments in 11 Crown corporations, this brief policy note will concentrate on the four main commercial Crown corporations: SaskPower, SaskTel, SaskEnergy, and SGI Canada. CIC's website provides the following brief summaries of their respective histories and mandates:⁴

SaskPower

- ♦ 1929: The Saskatchewan Power Commission is established to provide safe, reliable, cost-effective power to all Saskatchewan people.
- ♦ 1949: Saskatchewan Power Commission becomes a Crown corporation called Saskatchewan Power Corporation.

SaskTel

- ♦ 1908: The Department of Railway, Telephones and Telegraphs is established and given authority to create

and operate local and long distance telephone lines. Its goal is to provide cost-effective service to as many farms, homes and businesses as possible.

- ♦ 1947: Responsibility for telecommunications is transferred to a new Crown called Saskatchewan Government Telephones, which is later named SaskTel.

SaskEnergy

- ♦ 1988: SaskEnergy Incorporated is created as a new Crown to provide natural gas transmission and distribution services. It assumes responsibility from SaskPower for providing Saskatchewan people with a highly reliable, safe and economical source of energy.

SGI Canada

- ♦ 1945: Saskatchewan Government Insurance Office (SGIO) is established to ensure that affordable, good quality insurance is available to Saskatchewan people.

Where Are They Now?

SaskPower and SaskEnergy (and its wholly-owned subsidiary, TransGas) continue to face little competition due to their natural monopolies⁵ in the transmission and distribution of electricity and natural gas, which are further enhanced by legislative protection in their respective Acts. For both SaskPower and SaskEnergy, the Saskatchewan Rate Review Panel conducts reviews and provides opinions to the government on the fairness and reasonableness of proposed rate changes.⁶

SaskTel offers similar products and is in full competition with private carriers. It is federally regulated by the Canadian Radio-television and Telecommunications Commission.

SGI Canada has long offered similar products in full competition with private property and casualty insurers.⁷

Saskatchewan's four largest commercial Crown corporations provide excellent service and job opportunities, including head office jobs. They have dedicated and

competent boards, management and staff, work to achieve industry standard capital structure and return on equity targets, and have classic, “textbook corporate finance” dividend policies.

In 2004, all political parties in the Saskatchewan Legislative Assembly supported passage of *The Crown Corporations Public Ownership Act*. This act requires that any privatization needs specific authorizing legislation. Before such a bill can be passed, the terms of the proposed privatization must undergo additional detailed scrutiny, the results of which are to be disclosed in a written public report. Further, even if a bill is passed, it cannot come into effect earlier than 90 days after a provincial election is called. It thereby makes any privatization at least a political issue in, and perhaps the very cause of, a provincial election. In any case, no political party in the Saskatchewan Legislative Assembly advocates the privatization of any commercial Crown corporation.

Where Are They Going?

The Crown Corporations Public Ownership Act is a strong disincentive to any government contemplating the privatization of a commercial Crown corporation.⁸ It should not act as a disincentive for a public, non-partisan, and rigorous review of the situation, outlook, and continuing public policy purpose of Saskatchewan’s commercial Crown corporations.

The last wide-ranging, searching public review of the situation and outlook for the commercial Crown corporations in Saskatchewan was the 1996 Crown Review. With the changes that have occurred since in the commercial, regulatory, technological, strategic and competitive environment, perhaps it is time to have another look. Such a review should be conducted independent of the government, and based upon rigorous, objective and transparent analysis with open public input and debate. The process and results should be public. As well as evaluating the situation and outlook for the commercial Crown corporations, such a review should be able to answer the following questions, which any prudent shareholder should want to know, and that any prudent steward should be able to answer:

1. Taxpayers’ investment in owning the commercial Crown corporations totals billions of dollars, or thousands of dollars per citizen. For each commercial Crown corporation, what is the current market value of the taxpayers’ equity?
2. Since the 1996 Crown Review, has each of the commercial Crown corporations maintained or enhanced its equity value relative to its private sector

counterparts? If not, why not?

3. What activities do each of the commercial Crown corporations conduct for public policy purposes that a private sector counterpart would not do without subsidization? What would be the amount of the required annual subsidy to a private sector counterpart?
4. Which of the commercial Crown corporations have achieved their mandates? For those that have, what is the public policy purpose of continued government ownership? For those that haven’t, why haven’t they?

A Thought Experiment

This policy note concludes with a thought experiment. In economics, the decision to own, or to not sell a marketable asset, is the same as the decision to buy it at its current market value.

If SaskPower, SaskEnergy and SaskTel were privately owned and independently regulated, would the Saskatchewan public support a government policy to borrow billions of dollars to nationalize them?

If SGI Canada was privately owned, would the Saskatchewan public support a government policy to borrow millions of dollars to nationalize it? ➤

ENDNOTES

1. Examples of government-owned businesses at the national level include AMTRAK (United States); Canada Post Corporation (Canada); Australia Post (Australia); and the British Broadcasting Corporation (United Kingdom).
2. <<http://www.cicorp.sk.ca/publicenterprise/principles.html>> (all web pages cited in this paper are as at November 22, 2007).
3. Ibid.
4. <<http://www.cicorp.sk.ca/publicenterprise/pe-history.html>>.
5. Local telephone service, natural gas transmission and distribution, and electrical transmission and distribution have been considered “natural monopolies,” due to large initial capital investments and economies of scale. These factors tend to make a single firm the most efficient provider for a particular geographic market. It may be difficult to argue that local telephone service is still a “natural monopoly” due to technological advances such as cellular phones and Voice over Internet Protocol (VoIP).
6. <<http://www.saskratereview.ca/>>.
7. SGI has two distinct operations: SGI Canada, a property and casualty insurer; and, The Saskatchewan Auto Fund which operates Saskatchewan’s compulsory auto insurance program, including the driver’s licensing and vehicle registration system. The Saskatchewan Auto Fund falls within the review mandate of the Saskatchewan Rate Review Panel. SGI Canada does not.
8. The full name of *The Crown Corporations Public Ownership Act* clearly discloses its intent: “*An Act respecting the Continued Public Ownership of Crown Corporations.*”

PLANNING FOR INDIVIDUALS WITH ASD IN SASKATCHEWAN

Issues and Challenges for the Next Decade

BY RUPAL BONLI, PH.D., PEDIATRIC HEALTH PSYCHOLOGIST, SASKATOON HEALTH REGION

Once thought of as a rare disorder, ASD is now considered the most prevalent neurological disorder among children. In the past, ASDs were considered untreatable. Now there is ample evidence to suggest that these children benefit from intensive early intervention and can have a good quality of life as adults. This article looks at the challenges and issues facing policy makers in Saskatchewan as they develop policy regarding the degree of public funding for treatment.

The terms autism and autism spectrum disorders (ASD) are ubiquitous in the media. ASD is a term used by professionals to encompass three diagnostic categories: Autistic Disorder, Asperger Disorder, and Pervasive Developmental Disorder – Not Otherwise Specified.¹ These disorders are most often diagnosed in childhood. Individuals with ASD have qualitative impairments in social interaction and communication as well as restricted repetitive and stereotyped patterns of behaviour, interests and activities. Despite these commonalities, individuals on the autism spectrum are heterogeneous with varying degrees of pervasive impairments that range from mild to severe.

There is growing consensus that ASDs are biologically based, neurodevelopmental disorders that have a high heritability factor, with their phenotypic expression modulated by environmental factors.² Knowledge about ASDs seems to be increasing daily. In the last few weeks, evidence has emerged that for about 1% of individuals with ASD, there are different flaws in a single gene on chromosome 16 which may significantly raise the risk of autism.³ Scientists suggest that this discovery may pave the way for the first DNA test to reliably predict who will develop the disorder. Once thought of as a rare disorder, ASD is now considered the most prevalent neurological disorder among children, with the current rate cited in Canada at 6 per 1000 or 1 in 165.⁴ This represents a 600% increase in prevalence over the past ten years. Some have labelled this increase as constituting a health care “crisis” or refer to it as the “autism epidemic” and one of the most challenging public health issues today.⁵

In the past, ASDs were considered untreatable. Now there is ample evidence to suggest that these children benefit from intensive early intervention and, given proper supports during the school-age years, can have a good quality of life as adults. The increase in diagnoses of ASD in Canada, coupled with the evidence of effective interventions, have spurred parents and professionals throughout the country to demand

more action from all levels of government to establish a comprehensive autism strategy and guarantee that children with ASD receive the services they need in a timely fashion.

The issues at the crux of the treatment debate are what types of interventions should be funded and to what degree (some of the intensive approaches cost up to \$60,000 per year per child), as well as who should be funding treatment for children with this diagnosis. At the current time, even though all provinces and territories, with the exception of Nunavut, provide some public funding for effective treatment, there is no national program to ensure uniform and equitable access to therapy.⁶ While some argue that more funding should be available to all families for specific treatment approaches, others argue that more federal funding should be devoted to research to improve knowledge about treatments and their effectiveness prior to funding specific treatments.⁷

Proponents of early intervention, while often disagreeing as to the exact format of program delivery, agree on the important components for effective intervention. These include early admission (some suggest even prior to a definitive diagnosis and ideally before the age of 45 months);



Photo courtesy of Carla A. Webb.

“The issues at the crux of the treatment debate are what types of interventions should be funded and to what degree...as well as who should be funding treatment.”

a rich ratio of adults to children (1:1 up to 1:3); intensive programming (minimum of 25 hours/week); planned and repeated professional development; a family education and training component; opportunities for interaction with typically developing peers; and mechanisms for ongoing assessment and program evaluation.⁸

Others argue that since ASDs are not degenerative in nature, these individuals can continue to make gains in communication and social interactions throughout life without intensive early programming.⁹ They emphasize that the primary goals of treatment at all ages are to minimize the core features and associated deficits, maximize functional independence and quality of life, and alleviate family distress. Many contend that government's role is to allocate more resources to ensure that multidisciplinary teams of professionals are in abundant supply and easily accessible to families.

Understanding the debate regarding funding options is important as governments at all levels come under more pressure to develop policy pertaining to ASD. Clinicians are acutely aware that each individual on the autism spectrum is unique and presents a unique set of strengths and challenges. The majority of professionals also contend that there is no one treatment approach that will work well for every child on the spectrum and that individuals with ASD benefit from a combination of effective approaches for the variety of challenges that they present.

Despite the unequivocal evidence that there are numerous effective treatment approaches for this population, the only provincial government that has adopted policy that truly reflects this understanding is Alberta. In this province, funding is based on the needs of the child and family and programming is highly individualized.¹⁰ Other provinces have opted for funding a specific type of approach. In most provinces, other treatment approaches, although recognized as being effective, are not necessarily publicly funded. The result is that there is a lack of equity across the country and many families have actually chosen to move to provinces with better funding in the hopes of substantially improving the lives of their children. This has resulted in staffing shortages in some provinces and growing wait lists for specialized services throughout the country.

In Saskatchewan, the former NDP government released a significant pool of money for autism training in their 2007/08 budget. Professionals, paraprofessionals and parents all over the province have had and will continue to have access to a variety of educational opportunities to learn about



Photo courtesy of Carla A. Webb.

numerous ASD treatments. The government concurrently released bursaries for individuals interested in pursuing training in various occupations. By all accounts, this has been a tremendous year of growth in knowledge about ASDs. The current Saskatchewan government has agreed to honour the former government's funding commitment.

Policy makers in Saskatchewan face many challenges in planning for individuals with ASDs. They have the challenge of critically appraising the vast literature on early intensive programs in order to make informed decisions about service provision. With the unique population demographics in Saskatchewan, the current government will be well advised to utilize and expand on programs that already exist (i.e., Autism Resource Centre in Regina and Autism Services in Saskatoon). Another challenge policy makers will have is to not simply adopt what other provincial jurisdictions have done, but rather develop an approach that is both comprehensive and feasible for the Saskatchewan reality. This will include strengthening existing Early Childhood Intervention Programs that are province-wide, as well as continuing to build capacity and expertise at a school-based level. Continuation of ongoing training opportunities for personnel already working with these individuals as well as incentives to train more professionals to serve on both diagnostic assessment and intervention teams is also critical. Given the cultural diversity in the province, any programs that are designed must be sensitive to, and feasible within, Aboriginal frameworks.

Children, youth and adults with ASD are amongst the most vulnerable members of our society. The most significant challenge for policy makers will be to decide how we collectively treat these individuals. In his story about his

ASD Cont'd on PAGE 14

handicapped son, Walker, journalist Ian Brown suggested that the real challenge of a society lies in the willingness to accept that a handicapped life has real value. He cites Dr. Blumberg, a geneticist who states, "How we treat handicapped individuals says something about the place we have reached as a society...it's just a mistake to think of them (handicapped children) as less than. There's no lesser than. There's just different from. It isn't just great minds that matter. It's great spirits too."¹¹ As we plan for individuals with ASD over the next decade in this province, the challenge will be to create policy that recognizes these great spirits and celebrates the gifts that these individuals offer us. ♪

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Housing

Cont'd from PAGE 7

Have you found a helpful academic research base?

I think it's interesting you should ask that question, because I think it's maybe not as strong as what I see in the U.K. Housing has got the attention of academia in the U.K. a bit more so than in Canada. The various levels of provincial agencies have policy and research capacity, and we work jointly with the Canadian Mortgage and Housing Corporation. The closest thing we have that is moving toward a think tank is the Canadian Housing and Renewal Association, an association of non-profit housing providers who are undertaking research and analysis work lately.

Is there a particular research hole not being filled?

One area I think we don't fully understand is the long-term consequence of families being raised in overcrowded and poor conditions. What does it mean in terms of educational attainment of the children in that home? We often talk about housing and the impacts on health, but I haven't seen a piece of literature that really pulls it all together, or a piece of longitudinal research that would give us a bit stronger data on that front.

Are you prepared for the future?

The market's really changing right now, so we're really watching what's happening in the marketplace, trying to understand that, and working hard to have the right elements in our policy and our programs to deal with it on a proactive basis.

You've avoided the "crisis" word.

I avoid the term because it has a lot of connotations. Is there a lot of pressure on having everyone suitably housed? Certainly. Is there more pressure on temporary shelters and transition housing? Yes. And I appreciate that if you're a family experiencing those challenges front and centre, it may very well be a crisis for you. So I certainly understand we should be moving quickly to tackle these challenges. ♪

Primaries Cont'd from PAGE 5

never been primaries in Canada. (Well, hardly ever: in his edited *Diary of Alexander James McPhail* (University of Toronto Press, 1940), Harold Innis reprints as an appendix “Last Mountain [Saskatchewan] Federal Constituency: Instructions on Primaries.” The instructions were for the use of the new Progressive Party, but there is no indication of how effective they were in the Last Mountain constituency in 1921, the year they were composed, or anywhere else ever.)

Primaries originated with the progressive movement in the United States early in the twentieth century. There, unlike in Canada, Progressives were an urban phenomenon that arose to beat back the “machines” – to take politics, and in particular the selection of candidates, out of the backroom. In Canada, while there was a good-government edge to the Progressives, their main concerns were freight rates, the tariff and the decline of rural life after the First World War. The big difference between the two countries lay in Canada’s parliamentary government which depended, then and now, on discipline from the top down and from the bottom up. Despite pledges today to remedy the democratic deficit, the practice of independence is severely discouraged in all parties.

In the absence of primaries, internal dissent that does not have the ear of the leader either remains mute or must break rank to be heard, usually in the form of a new, protest party. Third parties of electoral significance are rare in the United States, not so in Canada. Institutionalized mechanisms for dissent, such as primaries, in the one and not the other country are important explanations for the contrast.

Primaries arose as an intra-party democratic device. They still are, but the coverage they now receive in the media is less about empowering the little man and woman than it is about demonstrating or building a claim to approval. This is especially true of the presidential primaries, regardless of party. In a modest but nonetheless original way, John Kennedy did this as he beat back Hubert Humphrey’s campaign for the Democratic nomination. This struggle for primacy in the primaries can be seen as Hillary Clinton fights off Democratic male contenders, and John McCain takes on his Republican rivals for the party’s nomination.

One of the reasons for the dominance of the presidential primary races today is the behaviour of the states. Like the appearance of primaries a century ago, events that drive national politics in the United States, as that adjective is understood in most countries, are not national but often state and even, sometimes, local in origin.

This is the case with the presidential primaries, as the states compete to be first in selecting convention delegates and thus seize the candidates’ and the nation’s attention. How else could you explain Iowa’s meteoric rise to prominence in the previous December except by its January 3 primary? In Canada, Saskatchewan or New Brunswick should be so fortunate, but then in Canada there are no primaries. Of course, there are leadership conventions – one of the rare American imports into Canadian politics – except that here individual delegates vote in secret. As if to disguise federalism, there are no provincial blocs – a delegate is a delegate is a delegate. ~

Education Cont'd from PAGE 9

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ADAPTATION TO CLIMATE CHANGE

The Need for Proactive Planning in the Canadian Prairies

BY GREGORY P. MARCHILDON, CANADA RESEARCH CHAIR IN PUBLIC POLICY AND ECONOMIC HISTORY, JOHNSON-SHOYAMA GRADUATE SCHOOL OF PUBLIC POLICY, UNIVERSITY OF REGINA, AND DIRECTOR, SIPP

Public policy in terms of adaptation will be a critical element in determining our success or failure as human societies. Using the lessons learned from the policies of Alberta and Saskatchewan in the 1930s, provincial governments can take steps now which will provide a strategic framework for adaptation at the provincial level.

Over the past two years, climate change has emerged as the top-of-mind policy issue for governments in the industrialized nations of the world. Increasingly, policies in reaction to climate change have become regular items in news stories, election platforms and even Hollywood movies. Released in May 2006, *An Inconvenient Truth*, former American Vice-President Al Gore's documentary on the impact of global warming, made \$50 million at the box offices during its initial run.

This new-found popularity, however, comes very late in the day relative to the longer-standing attention that has been devoted to the subject by the scientific community. Some of those scientists have been involved for almost two decades in the United Nations' Intergovernmental Panel on Climate Change (IPCC). First established in 1988, the Intergovernmental Panel has issued a series of four major reports, the most recent of which was the IPCC Fourth Assessment Report on Climate Change in 2007. In its so-called *Summary for Policymakers*,¹ the Panel concluded that:

- ♦ unequivocally, the world's climate system is warming;
- ♦ this warming is very likely due to the increase in human greenhouse gas emissions (with a less than 5% chance that it is caused by natural processes);
- ♦ world temperatures will rise between 1.1 and 6.4 °C and sea levels will rise between 18 to 59 cm in the 21st century, and both past and future human-caused carbon dioxide emissions will continue to contribute to warming and sea level rise for more than a millennium.

Vigorous efforts to reduce greenhouse gases can mitigate the trend, but the future will depend heavily on our ability, as societies, to adapt to climate change. The more proactive

and planned our adaptation, the more likely we can cope effectively with such change. The more passive our adaptation – the more we simply leave individuals and families on their own to adapt – the more bleak an outlook for future generations. In other words, public policy in terms of adaptation will be a critical element in determining our success or failure as human societies.

The more passive our adaptation – the more we simply leave individuals and families on their own to adapt – the more bleak an outlook for future generations.

Within Canada, Saskatchewan and Alberta are at the sharpest end of the policy stick. Not only are both provinces the major per capita emitters of greenhouse gases due to the disproportionately high carbon dioxide emissions of their respective oil and gas industries (relative to other industries), but their portion of the southern prairies is one of the most vulnerable ecosystems in the country. Why? Because it takes only a small change in temperature to produce a major impact relative to less arid parts of the country due to the sensitivity of the prairie ecosystem and its agricultural base to modest fluctuations in water resources. Only the Arctic regions of Canada are more vulnerable to climate change.

The semi-arid Palliser Triangle covers much of southern Saskatchewan and Alberta. At the core of the Triangle is the Dry Belt, a region that receives less precipitation (rainfall and snowfall) than any other part of Canada. The most reliable source of moisture is from the rivers which flow east from the

“Vigorous efforts to reduce greenhouse gases can mitigate the trend, but the future will depend heavily on our ability, as societies, to adapt to climate change.”

Rocky Mountains, in particular the South Saskatchewan River and its tributaries. This river basin is the focus of a major research project on institutional adaptation to climate change involving over 20 physical and social scientists, a core of whom are based at the University of Regina, the Saskatchewan Research Council, and the Prairie Adaptation Research Collaborative in Regina.²

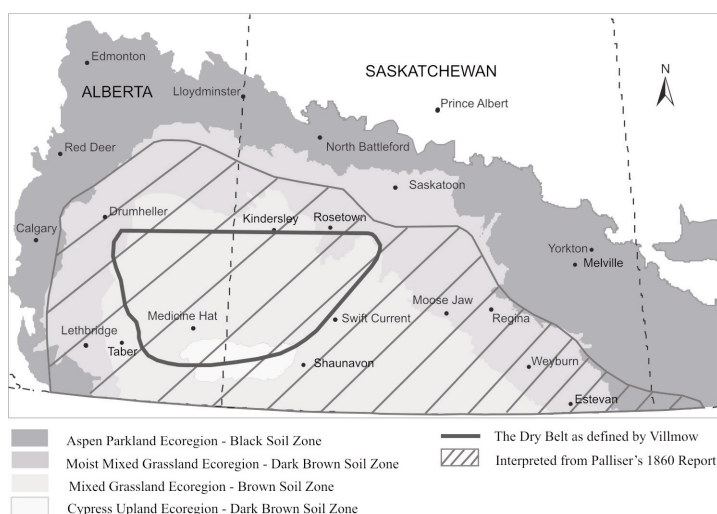


FIGURE 1: PALLISER TRIANGLE AND DRY BELT
SOURCE: DIANE PERRICK, CANADIAN PLAINS RESEARCH CENTER

While the project is concerned with the future impact of climate change on this region, we can always look at the past to get a glimpse of the future. A prolonged version of the Dust Bowl of the 1930s is the closest analogy to what we may yet face in the 21st century. Governments at the local, provincial and federal levels were almost completely unprepared for recurring droughts of the type that devastated the Palliser Triangle just before the Second World War. The Dry Belt was particularly hard hit, having already suffered years of continual drought even before the 1930s. At first, governments only reacted. Local governments provided food and other necessities to farm families no longer capable of feeding and clothing themselves. The strain overwhelmed the limited resources of municipalities forcing the provincial governments to provide relief directly to destitute families. Within a couple of years, however, the governments of Saskatchewan and Alberta were on the precipice of bankruptcy (the Government of Alberta would actually default on its debt by the mid-1930s), and the Government

of Canada stepped in to shore up the provinces and provide money for relief.

Eventually, by the late 1930s, governments began to initiate policies and programs which were more effective in facilitating adaptation to the environmental disaster caused by prolonged droughts.³ Both provincial governments subsidized the relocation of farm families to areas outside the Palliser Triangle. The Government of Alberta replaced bankrupt municipalities in the southeast part of the province with a single provincial organization called the Special Areas Board, which was capable of consolidating infrastructure, running schools, fixing roads, and turning small farms into large ranches. The Government of Canada established the Prairie Farm Rehabilitation Administration (PFRA) to facilitate major changes in land use and cultivation in order to preserve and protect land moisture as well as rehabilitate land, transforming deserted farmland into community pastures. It may have been too little, too late, but it was better than nothing. More importantly, these actions demonstrate the way in which proactive policy and action at a governmental level can facilitate adaptation at the local level.

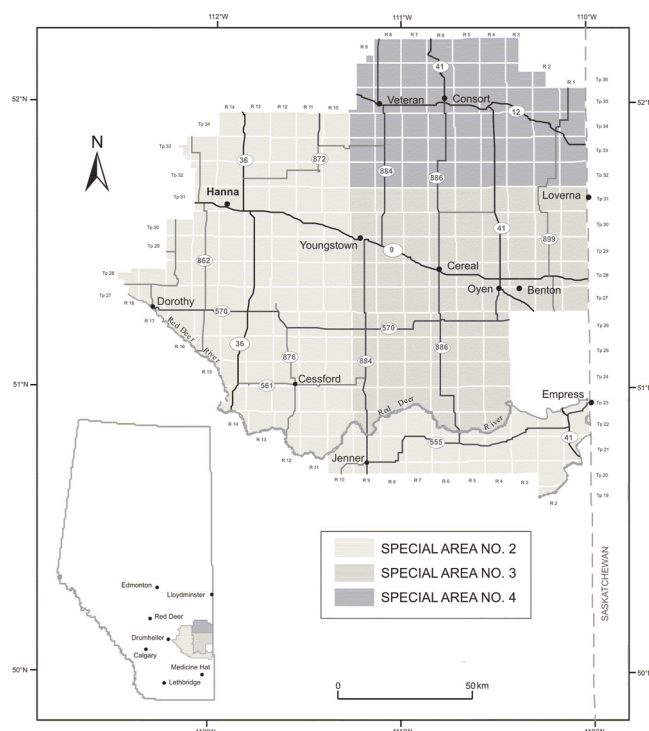


FIGURE 2: SPECIAL AREAS IN ALBERTA
SOURCE: DIANE PERRICK, CANADIAN PLAINS RESEARCH CENTER

Adaptation Cont'd on PAGE 18

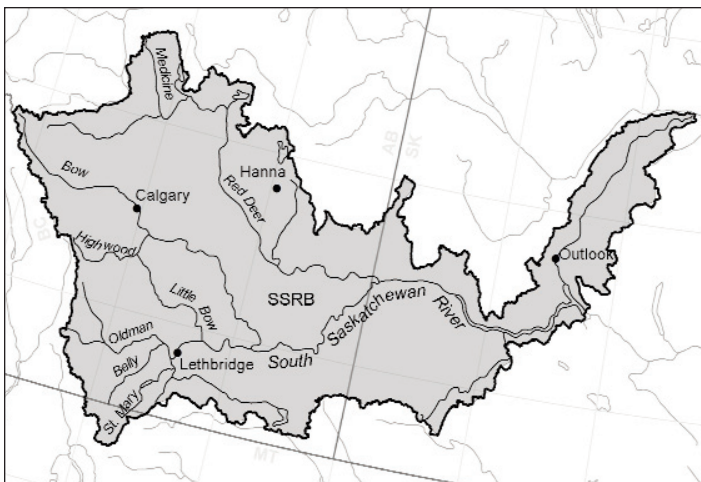


FIGURE 3: PALLISER TRIANGLE AND DRY BELT

SOURCE: JEREMY PITTMAN, CANADIAN PLAINS RESEARCH CENTER

As we look to the future in light of climate change, we can use these lessons. We must recognize the extent to which our local government institutions – little changed from the 1930s – remain fragile and are unlikely capable of coping with a major environmental shock. Provincial governments can take steps now which not only help build a more vigorous policy and planning capacity at the local level, perhaps through the rebuilding of municipal government, but also provide a strategic framework for adaptation at the

provincial level. Using the PFRA as a starting point, the federal government can create an applied scientific and informational infrastructure that will facilitate adaptation by agricultural producers, local businesses, and communities, as well as municipal and provincial governments. Given the federal nature of the country, we also need a high degree of intergovernmental collaboration on adaptation policies and strategies for one of the most vulnerable regions in the country. ∞

ENDNOTES

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FROM VULNERABILITY TO RESILIENCE

Sustaining Rural Community in the Context of Climate Change

BY POLO DIAZ, DIRECTOR, CANADIAN PLAINS RESEARCH CENTER, UNIVERSITY OF REGINA

The inter-relations between climate, economic, and social vulnerabilities require an approach able to strengthen the general sustainability of the community, an approach that requires a high level of coordination among government agencies. It is impossible to foster community resiliency with ad hoc approaches; rather we need to plan and act across traditional sectors, issues, and political boundaries, and integrate ecosystem-management, disaster reduction, and social and economic development measures.

There is no doubt that global warming is already producing significant changes in local conditions, challenging the limits of our adaptive capacity. The dramatic case of New Orleans is a sad reminder of how fragile human settings can be to extreme forms of weather, especially when social and political institutions fail to anticipate and provide counter-measures to reduce people's vulnerability.

Climate change impacts will increase significantly in the coming decades as a result of a steady rise in temperatures. They will vary among regions and social groups depending on specific climate stimuli – including variability and extremes – and variations in local adaptive capacity. Anticipated climate changes will disproportionately affect the livelihoods of those with limited resources, multiplying the already devastating effects of poverty, war, and unequal policies. Climate change, however, could also create new and potentially beneficial opportunities – if they are properly understood and used. Expanding our knowledge about climate change impacts and adaptive capacities is essential for effective management of both threats and opportunities.

As expected, Canada's vast and varied physical and social geography will be differently affected by climate variability and extreme events. The South Saskatchewan River Basin (SSRB), which stretches from the Rocky Mountains across southern Alberta and Saskatchewan, is an area that is highly sensitive to climate change. The basin covers an extensive area – approximately 170,000 square kilometres – with an estimated population of 2.2 million people.¹ The majority of this population resides in large urban centres, including Calgary and Saskatoon, but there is still a significant population residing in approximately 200 rural communities.² Rural land use is primarily large- and medium-scale agriculture, producing commercial cereal crops such as wheat and canola, and livestock ranching. Many communities have access to irrigation but others are in

dry-land areas, which makes them and their people very sensitive to climate change. Expected climate change impacts in the basin involve increases in temperatures, changes in snow and rainfall patterns, a reduction in the annual flow of rivers, increases in the intensity and severity of extreme climate events such as drought, rainfall, and hail storms, and an increasing aridity of some areas. In the new climate context, water resources in the basin will be seriously constrained, both in terms of quantity and quality.³ Increasing levels of water stress are expected, which may result in negative consequences for the process of regional development. Although climate change will affect everyone in the basin, it is expected that it will disproportionately affect rural communities, given their dependency on natural resources. Among these, dry-land communities tend to be the most vulnerable due to their relative insecurity in terms of access to water resources.

Expected climate change impacts in the basin involve increases in temperatures, changes in snow and rainfall patterns, a reduction in the annual flow of rivers, increases in the intensity and severity of extreme climate events such as drought, rainfall, and hail storms, and an increasing aridity of some areas.

A recent climate vulnerability assessment of six communities in the basin offers us a glimpse of some of the problems that the rural community may face in the near

Vulnerability Cont'd on PAGE 20

future. The assessment was oriented to develop a better understanding of the exposures and sensibilities of rural communities to climate and their range of adaptive capacities. Two of the communities, Cabri and Stewart Valley, are located in a dry-land area of the basin, a situation that makes them highly vulnerable to water scarcities. The main economic drive of both communities and surrounding areas is agriculture, although the oil and gas industry also plays a significant role in the region. Both communities are relatively small, the larger of them with a population of less than 500. Like many other rural communities in the province, they are characterized by a declining population trend caused by constant out-migration of young people seeking better opportunities elsewhere.

The assessment's results indicate that both communities are particularly sensitive to climate-related events. For these communities, seasonal climate variations are less relevant than extreme weather events, such as extreme temperatures and water scarcities. For local farmers, the extreme variability of temperature and its timing has many possible consequences. For example, a cool spring with late frosts can delay seeding, which in turn may result in lower crop yields. Water scarcities are more serious, affecting all community members. The history of both communities has been intertwined with drought – most notably the recent droughts of 1988 and 2001-2002. The drought of 2001-2002, although it was less devastating than the drought of 1988, seriously constrained the availability of water, and thereby affected town residents, farmers, and ranchers. These climate vulnerabilities, however, assume particular relevance in the

The assessment also demonstrated that rural people have learned how to deal with a multitude of stressors that impact their lives. Social capital, knowledge networks, water conservation measures at the level of the community and the household, different and combined use of family labour, and other mechanisms are expressions of an existing coping capacity.

context of other economic, social, and political stressors. Like many other rural communities, these two communities have faced significant turmoil in their recent past due to globalization and restricted fiscal policies. Most community members identified changes in agricultural market conditions, as well as the centralization of services in larger urban centers, as the most serious social and economic stressors that have contributed to the communities' increased vulnerability. The negative impacts of extreme climate events, such as the drought of 2001-2002, add to these already existing stressors and vulnerabilities, multiplying their negative impacts and further reducing the sustainability of the communities.

The assessment also demonstrated that rural people have learned how to deal with a multitude of stressors that impact their lives. Social capital, knowledge networks, water conservation measures at the level of the community and the household, different and combined use of family labour, and other mechanisms are expressions of an existing coping capacity. These current adaptation strategies are, however, largely reactive and they only lead to a partial alleviation of the communities' problems. In the context of the expected impacts of global warming, which indicate an increasing rate of recurrence and intensity of extreme climate events able to affect the sustainability of rural livelihoods, it is necessary to improve communities' and governance capacities to support and strengthen the proactive adaptive capacities of rural people.

There is clearly the need to develop and strengthen a policy process oriented to building community resilience in the



Near Oyan, AB. Photo courtesy of Dave Sauchyn.

“A special joint effort between communities and government should be directed toward improving local and regional capacities.”

context of climate change. It requires a more comprehensive strategy that combines both mitigation and adaptation activities. Moreover, given the multidimensional nature of community vulnerability, where climate interacts with many other stressors, there is the need for an inclusive policy framework that emphasizes the links between adaptation and development priorities. The inter-relations between climate, economic, and social vulnerabilities require an approach able to strengthen the general sustainability of the community, an approach that requires a high level of coordination among government agencies. It is impossible to foster community resiliency with *ad hoc* approaches; rather we need to plan and act across traditional sectors, issues, and political boundaries, and integrate ecosystem-management, disaster reduction, and social and economic development measures.⁴

Given the multidimensional nature of community vulnerability, where climate interacts with many other stressors, there is the need for an inclusive policy framework that emphasizes the links between adaptation and development priorities.

Managing the risks and opportunities created by climate change requires a structure of governance that improves communication between communities and government agencies. Appropriate and locally relevant solutions to community sustainability problems require a proper understanding of local vulnerabilities. At the same time, mobilizing external resources to alleviate local vulnerabilities requires a systematic knowledge of what is available within government. Both are required to develop the necessary knowledge and build the incentives required to strengthen communities.

A special joint effort between communities and government should be directed toward improving local and regional capacities. Local training and capacity building in areas such as soil and water conservation could enhance human capital, facilitating the management of risk and opportunities. Programs oriented to developing or

strengthening the social capital of communities, i.e., providing resources to local organizations, could contribute to fostering community organization and mobilization for vulnerability reduction measures. Moreover, improving inter-community coordination around common issues, such as committees for watershed planning, could contribute to the development of a social capital able to bring together several communities for the resolution of regional problems.⁵ All these measures would not only provide rural communities with the instruments to become more sustainable, but they would also contribute to a more effective strategy to reduce the risks of climate change. ∞

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SCENARIOS OF THE FUTURE CLIMATE

Supporting Adaptative Strategies to Minimize Vulnerability to Climate Change

BY DAVE SAUCHYN & SUZAN LAPP, PRAIRIE ADAPTATION RESEARCH COLLABORATIVE (PARC), REGINA, SASKATCHEWAN

Climate change scenarios derived from Global Climate Modules (GCMs) offer a plausible representation of future climate. In this article, the authors analyze the use of GCMs to present new scenarios of the future climate and surface water supplies that should inform communities and institutions in the Canadian Prairies of what they face in terms of climate change, the shift in mean temperature and precipitation between the recent past and the near future.

Researchers frame vulnerability to climate change in terms of exposure to climate risks, sensitivity to climate variability and change, and the capacity of human beings to adapt to climate changes. To manage vulnerability, social systems (i.e., communities, institutions and sectors of the economy) build adaptive capacity and formulate and implement adaptive strategies to lower sensitivity and minimize the impacts of climate change. While VIA (vulnerability, impact and adaptation) research is primarily social scientific, physical scientists are responsible for generating scenarios of future climate in order to examine how current risks will be affected by global warming.

Combining these two streams of research, scholars belonging to the five-year multidisciplinary project Institutional Adaptation to Climate Change (IACC) are investigating the vulnerability of rural communities in the South Saskatchewan River Basin. This research reveals how climate change will exacerbate or alleviate current climate-related risks and opportunities and the role of formal institutions and social networks in addressing current and future vulnerability. The project's ethnographic surveys of the communities of Outlook, Cabri, and Stewart Valley in Saskatchewan, and Hanna, Taber, and the Blood Indian Reserve in Alberta, identified drought, extreme weather events (intense thunderstorms and associated hail and flash floods), and low river flows as major risks.

Climate change scenarios are plausible representations of a future climate. They are derived from Global Climate Models (GCMs), "the only credible tools currently available for simulating the response of the global climate system to increasing greenhouse gas concentrations," according to the United Nation's Intergovernmental Panel on Climate Change (IPCC).¹ A high level of confidence can be placed in climate models because they are: (1) based on physical laws, such as conservation of mass, energy and momentum to represent the complex interactions between ocean/

atmosphere/sea-ice/land-surface; (2) able to simulate important aspects of the current climate; and, (3) able to reproduce features of past climates and climate changes.² Only when GCMs are driven with observed increases in greenhouse gas concentrations, plus natural climate forcing factors, are they able to reproduce the warming of the past century. Despite the predictive skill of these models, scientists cannot know the climate of future years, only tendencies, that is, mean climate states (for 30-year intervals) over large areas. During repeated runs, minor differences in initial conditions force these simulations of the complex climate system down different paths; therefore, GCMs produce a range of future climates. Furthermore, future greenhouse gas concentrations cannot be known but only estimated using assumptions about socio-economic activities that mitigate or accelerate global warming.

All climate change scenarios for the mid-21st century suggest increased temperature and precipitation for the Canadian Prairies. One of the most certain projections is shorter and wetter winters, and longer and generally drier summers.

All climate change scenarios for the mid-21st century suggest increased temperature and precipitation for the Canadian Prairies. One of the most certain projections is shorter and wetter winters, and longer and generally drier summers. Opportunities provided by a longer growing season could be constrained by less surface and soil water in most summers. Most of the population of the Prairie Provinces depends on snowmelt runoff from the Rocky

“Myths of abundant and stationary water resources have influenced water use and management in the Canadian west.”

Mountains. Increased temperatures will result in increased evaporation from soil, lakes and reservoirs. Decreased runoff and a shift in the timing of the dominant flow from summer to spring will cause lower river flows in summer and fall. Generally, drier conditions will most likely be realized with droughts of great severity and duration. Occasional, unusually wet years also are likely. When a median GCM scenario is coupled with a hydrological model, the result shows that average flows are reduced for all the major streams in the South Saskatchewan River Basin by the mid-21st century.

While climate models are “the only credible tools” currently available for simulating future climate, GCM scenarios have limitations that apply in general to impact studies and specifically to our attempt to link future climate to current vulnerabilities. Some climate risks cannot be properly evaluated because current models and methods do not provide reliable information for the climate variables, local scale, and the short time frame of immediate concern to many stakeholders. The coarse spatial resolution (100s km) is a commonly cited drawback of GCMs. This problem is particularly acute for a study like ours where the aim is to evaluate the vulnerability of individual rural communities. Fortunately, much of the prairies region has relatively low relief and homogenous land cover. Even so, we are applying single values of climate variables for GCM grid boxes (ca. 200 x 300 km) to rural communities. To some extent this limitation can be overcome by “downscaling” the coarse climate scenarios. Climate information of higher resolution is available from a few runs of regional climate models (RCMs) or by establishing statistical relationships between monthly or seasonal climate scenarios from GCMs and observed large-scale atmospheric and station-scale data.

The variability of future climate will be a function of the natural climate cycles modulated by greenhouse gas warming. Research on the nature and degree of this modulation is in early stages; one approach involves the analysis of “natural” climate variability that underlies the trends in future climate. Historical weather data contain detailed information on the variability of climate at daily to decadal scales; however, these records are relatively short in western Canada. Longer records that pre-date the instrumental period are available from climatically sensitive geological and biological archives. These records indicate that drought was of greater duration and severity before the 20th century.³ Myths of abundant and stationary water resources



Prairie south of Moose Jaw in the Dirt Hills. Photo courtesy of Dave Sauchyn.

have influenced water use and management in the Canadian west. While these perceptions are part misconception, the reconstructions of past climate and scenarios of future climate suggest that, since European settlement, western Canadians have enjoyed relatively reliable water supplies and an absence of prolonged drought relative to previous centuries. But this is about to change. Thus, communities in the South Saskatchewan River Basin can expect drought of greater severity and duration simply because it is characteristic of the long-term hydroclimatic variability, with or without human-induced global warming.

Our new scenarios of the future climate and surface water supplies should inform communities and institutions in the Canadian Prairies of what they face in terms of climate change, the shift in mean temperature and precipitation between the recent past and the near future. The community assessments identify climate variability, short-term departures from mean conditions (i.e. drought), and extreme events (flooding and storms) as current vulnerabilities and major climate risks. Therefore, we supplement the conventional GCM scenarios of climate change with sources of hydroclimatic data at finer scales: downscaled GCM output and proxy climate (tree-ring) records that capture the natural hydroclimatic variability that underlies the trends imposed by global warming. These approaches and information are necessitated by the nature of vulnerability to climate change in the Canadian plains as revealed through the “bottom up” ethnographic approach to vulnerability assessment undertaken in the IACC project. The “top down” physical science approach of generating conventional GCM-base scenarios of shifts in mean conditions also is useful in

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WATER GOVERNANCE IN THE PRAIRIE PROVINCES

An Analysis of Three Models of Water Governance

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Policy makers in Canada are facing increasing pressure to keep fresh water available to those who need it. As a result, it is important for government to develop a proactive strategy for managing this country's water requirements. In this article, the author analyzes three models of water governance – government agency management, user-based management, and market management – and the benefits and challenges of each model.

It is increasingly being recognized that Canada's available freshwater is limited, and policy makers are facing increasing pressures to keep clean fresh water available to all those who need it.¹ Issues related to water are ranked the most important climate change impact for the Prairies.² Given these factors, the review of water governance becomes increasingly important in a proactive strategy responding to Canada's future water requirements. This article will discuss the legal water governance framework in the Prairie Provinces using the criteria of the World Water Council.

In Canada the rules of water governance are predominately, although not exclusively, determined by provincial governments and as a result different water management models exist in each province. There are three major alternatives to the governance of water rights and interests. Generally these models relate to the bundle of property rights associated with water, i.e., whether it is owned privately, as public property, or common property. In Canada, the Crown owns all water, and water rights are allocated by license with differing terms and conditions. Parallels to the three property models can be seen in the characteristics of the bundles of water rights received by way of water license. Based on the three conceptions of property rights, the three institutional models of water governance are:

Government agency management (generally associated with water regarded as public property or owned by all people). A government department or Crown assumes authority for issuing licenses, determining priorities, and resolving conflicts.

User-based management (generally associated with water regarded as common property or owned by a group of users). Water users, or those with license or rights to water join together and coordinate their actions. Decision making is collective among users.

Market-based management (generally associated with water owned as private property or by individuals or

organizations). Water is allocated and reallocated through private transactions. Users can trade water through agreements or temporary or permanent transfers, reallocating rights in response to prices.³

All of these models are used in the Prairie Provinces in a variety of combinations.⁴ No one model is used exclusively. This is consistent with water management regimes in other countries. Within the same river basin there may be user-based management, transfers between individual farmers or irrigators occurring through market-type mechanisms, as well as government agencies administering overall allocation of water resources.

All three Prairie Provinces have predominantly government agency based systems for managing water resources due to the Crown ownership of water. Government bodies (either departments or Crown corporations) are tasked with issuing water licenses, determining water license priorities, and resolving conflict in the first instance.

The best example of user-based management of water licenses is irrigation districts. Alberta, Saskatchewan, and Manitoba all have legislation allowing for the formation of irrigation districts or water user groups which allow collective water user decisions in respect of their irrigation areas. Features of user-based management are also starting to be incorporated in all three Prairie Provinces through the creation of advisory committees to assist with local integrated water planning.

Consistent with its political culture, Alberta has led the provinces in the development of market-based water governance. Transfer of water rights is allowed if it is in accordance with an approved water management plan or Cabinet order. There are conditions on the ability to effect a transfer and, if it is in the public interest, 10% of the allocation of water under a license being transferred can be withheld.

Criteria established by the World Water Council for the assessment as well as the reform of water institutions are:

“Internationally there is much support for user-based management because it allows participation through decentralization and achieves socially equitable and environmentally sustainable results.”

accountability, participation by all stakeholders, predictability, financial sustainability (beyond the scope of this article), transparency, and decentralization and subsidiarity.

Decentralization means the delegation of responsibility and authority of water management to the lowest feasible level. Subsidiarity involves managing surface waters at the watershed level with involvement of all local stakeholders.⁵ An overview of the assessment is illustrated in Table 1.

Internationally there is much support for user-based management because it allows participation through decentralization and achieves socially equitable and environmentally sustainable results. The support of the community in decisions ensures decisions are based on custom, local knowledge, and experience, which makes them reflective of the community and its values, account for all “externalities,” and reduces enforcement costs. In addition, because actual users make decisions, these decisions can be flexible, provide quick reactions to changes, and generally are cost-effective. User-based management is difficult if users lack existing relationships. There is still a need to safeguard for the predictability of water decisions, the disclosure of required information to the public, and the setting of clear guidelines and policies. Currently, the Western Canadian provinces are incorporating more user-based governance into their water frameworks, although each model, including user-based governance, has different disadvantages as well as advantages.

Although the market-based model ranks low on many of the criteria, this may be indicative of its inapplicability as a comprehensive water management solution (which these principles were developed to assess). Among certain classes of users, such as irrigators or industrial users, commodification of a water right may add value. The market model can ensure the efficient use of the water resource by creating an incentive to save water and transfer its marginal value for compensation.⁶ This advances the public interest that the most economically beneficial mixture of water uses occurs.

Relying on a market for a commodity satisfying a basic human need which has traditionally been a public property

Table 1
Water Management Assessment – Overview

Principle	User-Based Management	Government Agency Management	Market
Decentralization and Subsidiarity	Yes	Challenges	Challenges
Accountability	Local Accountability	Yes	Dependent on Market Rules
Participation	Yes	Limited	Market Participants
Predictability	Yes	Potential Challenges Identified	Yes
Transparency	Yes	Yes	Challenges

resource in Canada may be ideologically difficult for some. Others would argue that the market tool does not capture the community value of water and ethical considerations. The risk of the market is that impacts on third parties are neglected. It is often unclear that there exists a substantial market which would allow an efficient exchange of water interests. This is due to the rare and complex nature of water transfers. Without frequent transactions and physical infrastructure to support the trade and enforce a trade, the most inefficient and dangerous market could be established. It may be that the cost of creating and administering a water market offsets any efficiency. Concerns can be overcome by setting appropriate market parameters and rules, such as limiting the market to a confined set of industrial or irrigation users in an area with a transparent transfer process.

The government agency model has the benefits of transparency, accessibility to water as a “right,” and accountability. Government agency management has challenges meeting the World Water Council criteria in respect to decentralization and participation. It may be that the government agency, through local advisory councils, incorporates participation and local decision making. However, these conclusions can’t be made from a reading of the governing legislation and regulations.

Great care should be taken in the determination of the appropriate combination of water management models. In order to ensure proper decisions, consultation with all

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stakeholders and participation of the community is essential. Policy decisions allowing non-governmental organizations, academic centres, and a variety of other groups to collaborate in evaluating changes in water management tend to perform better than those controlled exclusively by government at any level.⁷ ~

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Low levels at Gardner Dam. Photo courtesy of Dave Sauchyn.

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terms of informing stakeholders and policy makers about the directions of climate change, whether or not they perceive these trends as immediate climate risks.

Adapting to climate change requires that communities and institutions develop practices and policies that can be implemented when there is uncertainty about future conditions. Public policies must be developed to enable adaptation, discourage maladaptation, and build adaptive capacity. Fortunately, the scientific unpinning for public policy on climate change has been supported recently by major international and national scientific assessments: the IPCC Fourth Assessment Report (worthy of the Nobel Peace prize) and Canada's second national assessment of climate change soon to be released by the federal government. These important documents should be required reading for researchers, public administrators and policy makers concerned about the impact of climate change in the Canadian Prairies. ~

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ESSENTIAL SERVICES IN SASKATCHEWAN

Balancing Bargaining Rights and the Delivery of Services

BY DAN CAMERON, LECTURER, PAUL J. HILL SCHOOL OF BUSINESS, UNIVERSITY OF REGINA

The Public Services Essential Services Act was introduced by the Saskatchewan Party late in 2007 with the intention of assuring the continuation of essential services in the event of a lockout or strike. However, there may be hidden consequences that come from using legislation, which could undermine the effectiveness of negotiations and weaken the government's ability to protect the interests of the public.

On December 19, 2007, the newly elected Saskatchewan Party introduced the *Public Services Essential Services Act*. This Act is intended to assure the continuation of public services which, during a strike or lockout, would constitute threats to health and safety, and would result in the destruction of property, environmental damage, or disrupt court operations. "Public services" include the traditional public service departments (highways, health, etc.), crown corporations, regional health authorities, municipalities and police. As well, the Act permits the government to extend its application to any other "person, agency or body or class of person or bodies," making the Act's application very broad.

Essential service legislation attempts to ensure that such services continue to be delivered in the event of a strike or lockout while maintaining the collective bargaining rights of workers. However, there can be unintended consequences. Given that essential services continue, there is less incentive for the parties to settle with the result that strikes are longer. For example, in a health strike, the already long delays for elective surgery will increase. The provision of non-essential services will be interrupted for longer periods. There is a tendency for employers to designate essential services in excess of requirements. Manitoba, with similar legislation, recently identified groundskeepers as an essential service as well as entire government departments. The proposed legislation does not permit the Labour Relations Board to alter essential services identified by the employer; however, the Board can confirm or revise the list of employees submitted by the employer. Essential service legislation reduces the power of unions; as a result, government is seen as taking sides in collective bargaining thus inhibiting its capacity to intercede as a dispute-resolving neutral.

If an objective of collective bargaining is to achieve agreements that serve the needs of all parties and foster good working relationships, it is questionable whether essential services legislation advances that goal. Without question some

sort of mechanism for avoiding threats to health, safety, and property as a result of a public sector work stoppage or lockouts must be available. The provision of such services can not be held at ransom by the management and union providers in the pursuit of their private agendas.

Essential service legislation reduces the power of unions; as a result, government is seen as taking sides in collective bargaining thus inhibiting its capacity to intercede as a dispute-resolving neutral.

A difficulty with the proposed legislation is it requires every public service union and management subject to the Act to engage in a designation process that is time consuming, complex, and costly. It treats every negotiation as if a strike or lockout is inevitable in spite of the fact the overwhelming majority of agreements are arrived at peaceably. The focus appears to be on limiting the impact of strike and lockout action generally and not on ensuring the continued provision of essential services in those specific instances where they are threatened.

Currently, when strike or lockout action occurs in the public sector, it is quite common for union and management to have an informal understanding to ensure the provision of essential services. Neither management, union, nor employees want to be held responsible for a serious adverse event. It is not uncommon for striking workers to drop their picket signs to attend to emergent situations and return to the picket line. This response is grounded in the social ethic of the province. If we must have essential service legislation, this same ethic should serve as its foundation.

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Alternatives

Union and management in public sector negotiations could be required in law to establish a joint committee to identify essential services. This body would only function once an impasse is reached in negotiations. It would identify essential services and the employees required to provide those services within a specified time, i.e., 30 days. It would continue to deal with emergent situations until a collective agreement was achieved. In such situations there is always the risk that a party will engage in delaying tactics or propose or oppose a service as essential, given that the number of essential employees can strengthen or weaken the bargaining power of a party. To avoid this, a Labour Relations Officer of the Saskatchewan Department of Labour would be an *ad hoc* member of the committee. That person could act as a mediator facilitating negotiations, resolving differences, and confirming that essential services were in fact essential and that emergencies were true emergencies. If there is no resolution, that officer could recommend a solution to the parties and to the Minister

of Labour. Failing resolution, the latter could take a range of actions, i.e., release the Department of Labour report to the public in order to pressure the parties, offer third party mediation, or order the provision of disputed services.

This approach deals with actual as apposed to theoretical threats to the provision of essential services. It involves a neutral party in seeking resolution. It places the prime responsibility for providing essential services where it properly resides, with the management, union, and employees who provide those services. It preserves government's flexibility in responding to protect the public interests when the bargaining parties do not exercise their responsibilities.

It is unfortunate that the *Public Services Essential Services Act* has been introduced in acrimony, described in some circles as a settling of old scores with the labour movement and of favouring one collective bargaining party over another. The creation of a toxic relationship between government and labour is not a proper foundation for protecting the people of Saskatchewan from threats to their health, safety, and security. ♪

DONALD D. TANSLEY: A LIFE

BY GREGORY P. MARCHILDON, DIRECTOR, SIPP

Born in Regina on May 19, 1925, Tansley served overseas with the Regina Rifle Regiment. He joined the provincial government's Budget Bureau in 1950 after graduating in arts and commerce from the University of Saskatchewan. He worked in the Treasury until 1960, and was then appointed executive director of the Government Finance Office. Two years later, he became Chair of the Saskatchewan Medical Care Insurance Commission, the body charged with implementing medicare. In 1964, Tansley was hired by Premier Louis Robichaud of New Brunswick to become his Deputy Minister of Finance and Industry and to advise on the modernization of his government. In 1968, he accepted the position of Vice-President of the Canadian International Development Agency (CIDA) in Ottawa. From 1973 to 1975 he studied the International Red Cross, producing a far-sighted and prescient report on its future role in the world. Tansley was later appointed Administrator of the Anti-Inflation Act and Deputy Minister of Fisheries and Oceans. Tansley was notable for his great organizational skills and his ability to work in highly difficult circumstances. In 1999, he received the Order of Canada as well as the Henry Dunant Medal, the highest award conferred by the International Red Cross and Red Crescent. He was also made a Companion of the Order of the Canadian Red Cross. ♪

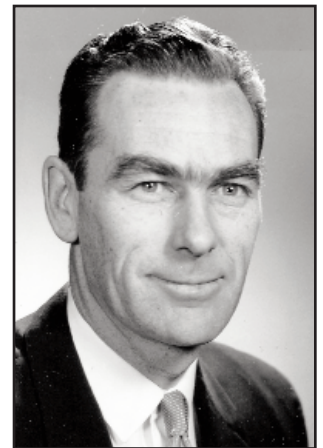


Photo courtesy of the Saskatchewan Archives Board R-A10698-1.