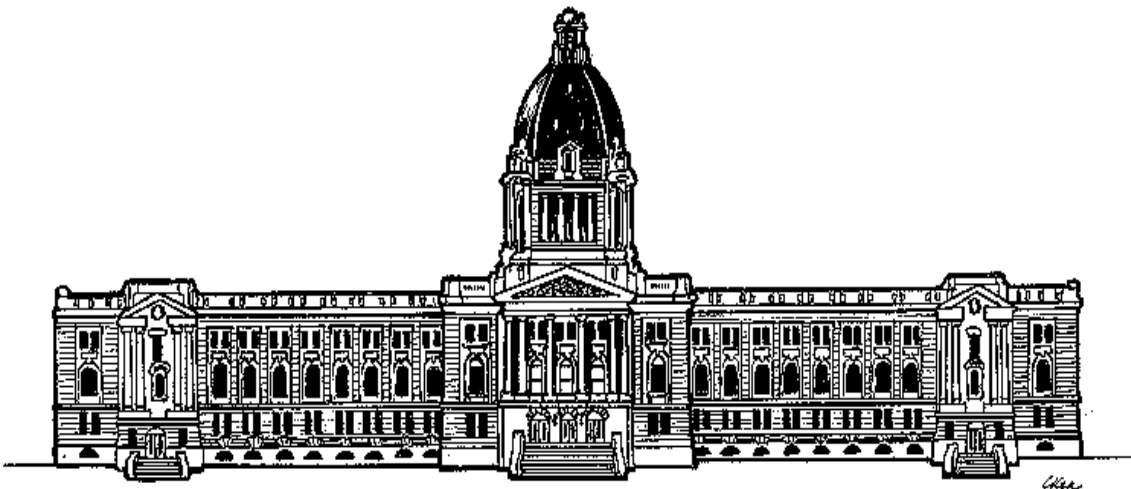




# **STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES**

**Hansard Verbatim Report**

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**Legislative Assembly of Saskatchewan**

**Twenty-fifth Legislature**

**STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES  
2005**

Mr. Andy Iwanchuk, Chair  
Saskatoon Fairview

Mr. Dan D'Autremont, Deputy Chair  
Cannington

Hon. Graham Addley  
Saskatoon Sutherland

Mr. Jason Dearborn  
Kindersley

Ms. Donna Harpauer  
Humboldt

Mr. Warren McCall  
Regina Elphinstone-Centre

Hon. Mark Wartman  
Regina Qu'Appelle Valley

[The committee met at 15:00.]

**Clerk Assistant (Committees):** — Good afternoon. Since the committee last met, there's been a number of changes to the committee. On November 9, 2005, Ms. Harpauer and Mr. Dearborn have replaced Mr. Kerpan and Ms. Eagles. In addition I'd like to inform the committee that I've been notified by Mr. Addley that effective October 18, 2005, he has resigned as the Chair of our committee. However he will continue to be a member of this committee.

Therefore as per rule 109(4), the first order of business is the election of Chair. And just a reminder to members that rule 109(2), the Chair must be a government member. Now it is my duty to preside over the election of the Chair. I call for nominations. Mr. McCall.

**Mr. McCall:** — Thank you, Madam Clerk. I move that Andy Iwanchuk be elected to preside as Chair of the Standing Committee on Crown and Central Agencies.

**Clerk Assistant (Committees):** — Any further nominations? Seeing no further nominations, I invite Mr. McCall to move his motion.

**Mr. McCall:** — I so move:

That Andy Iwanchuk be elected to preside as Chair of the Standing Committee on Crown and Central Agencies.

**Clerk Assistant (Committees):** — It has been moved by Mr. McCall:

That Andy Iwanchuk be elected to preside as Chair of the Standing Committee on Crown and Central Agencies.

Is the committee ready for the question?

**Some Hon. Members:** — Question.

**Clerk Assistant (Committees):** — All those in favour of the motion?

**Some Hon. Members:** — Aye.

**Clerk Assistant (Committees):** — All those opposed? Carried. I invite Mr. Iwanchuk to take the Chair.

**The Chair:** — At this time I'd like to recognize the member to move a motion of substitute.

**Mr. McCall:** — Thank you very much, Mr. Chair. I would move:

That the name of Andy Iwanchuk be substituted for the name of Mr. Addley on the Standing Committee on Crown and Central Agencies steering committee.

I so move.

**The Chair:** — Moved by Warren McCall, Regina Elphinstone:

That the name of Andy Iwanchuk be substituted for the name of Mr. Addley on the Standing Committee on Crown and Central Agencies steering committee.

All those in favour?

**Some Hon. Members:** — Agreed.

**The Chair:** — Any opposed? Carried.

At this time we would table two annual reports and two significant transactions, Information Technology Office and Saskatchewan Public Service Commission, and significant transaction SGI [Saskatchewan Government Insurance] and CIC [Crown Investments Corporation of Saskatchewan].

I would further like to advise the members that the committee has received an order of the Assembly dated November 21, 2005, to consider a report back from the supplementary estimates for the following departments and agencies: vote 77, SaskEnergy Incorporated; vote 13, Property Management; vote 33, Public Service Commission.

**General Revenue Fund  
Supplementary Estimates — November  
Public Service Commission  
Vote 33**

**Subvote (PS03)**

**The Chair:** — The first item of business is the supplementary estimates for the Public Service Commission. I recognize the minister.

**Hon. Ms. Atkinson:** — Thank you very much, Mr. Chair. Today I'm joined by Clare Isman, who is the Chair of the Public Service Commission. She is sitting to my right. To my left is Lynn Jacobson, director of corporate services. Next to Clare is Rick McKillop, executive director of employee relations, policy and planning. And beside Ms. Jacobson is Ron Wight, executive director of human resources and client services.

**The Chair:** — Okay. Vote number Property Management . . . Public Service Commission, sorry, vote 33, human resources (PS03). Is the subvote agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — I would like to recognize Mr. Chisholm.

**Mr. Chisholm:** — I thought perhaps the minister would have a brief statement that . . . we'd start, but I'll certainly start with some questions . . .

**Hon. Ms. Atkinson:** — Well I could give you a brief statement if you'd like . . . [inaudible] . . . of what we have done is requested from the provincial treasury an additional \$150,000, and we were successful in receiving those funds.

And essentially it's to do two things: one to implement the criminal record check policy that we announced this summer

where we are now doing criminal record checks on public employees who are obtaining positions of trust, particularly financial trust and administrative trust, as well as information technology trust. And we are also adding some additional positions to support the implementation of our new HR [human resources] MIDAS [Multi-Informational Database Application System] plan.

So essentially this funding is allocated as \$100,000 for the criminal record check, which includes \$30,000 in salary cost for the coordinator position and \$70,000 in operating cost which include the design and development of a confidential information technology system, the acquisition of secure record management storage to maintain and protect the confidentiality of records, and payment of criminal record checks for existing employees.

And this is what is required in 2005-06, in addition to the budget that Public Service Commission already received in the spring budget estimates. And that will require an ongoing funding of \$100,000 which will be requested in the Public Service Commission's budget request for next budget of '06-07.

And in addition, we have requested \$50,000 in salary funding to hire four positions starting in January 1, 2006. And those positions are there to implement the HR and payroll component of our new MIDAS financial and human resources system. And in terms of ongoing costs for next year, we anticipate that we'll require an additional \$180,000 to be added to the Public Service Commission's budget when we go before the Treasury Board and request our budget for '06-07.

**The Chair:** — I recognize Mr. Chisholm.

**Mr. Chisholm:** — I guess one of my questions is, when the announcement was made that we were going into this, the criminal reference check in September, it said that initially there would be a cost of \$200,000 and then approximately \$100,000 a year on an annual basis. So I guess I'm wondering, is this 100 that we're . . . That you're referring to today, that has to do with the criminal record check. Is that part of what was stated as 200 at one time? Or is that . . . are we talking 200 that already happened and another 100 that we're asking for here?

**Hon. Ms. Atkinson:** — This is revised from our initial thinking on what would be required. So this is a revised number. That is actual.

**Mr. Chisholm:** — . . . that was referred to was just kind of a . . . somebody had to say, you know, this is a new program, it's going to cost something. We don't know how much it's going to be?

**Hon. Ms. Atkinson:** — Essentially when we made the determination that we would go forward with criminal record checks, obviously we knew we had to develop a system. There were some significant public policy issues around confidentiality, securing information, ensuring that, you know, few people had access to this information and so on, and then having someone who was responsible within the Public Service Commission to administer the criminal record check process. We thought at the time that it would cost about \$200,000. We revised those numbers and we believe that the cost on an

ongoing basis will be \$100,000.

**Mr. Chisholm:** — Thank you. One of . . . My understanding is that there was criminal record checks done before in certain categories, and what we've really done is expand to include, like you said, handling of money and IT [information technology], right? Those were the two kind of areas that were added. Is that correct?

**Hon. Ms. Atkinson:** — Yes that's correct. What I can tell you is that there were a number of positions that were added — positions responsible for the collection, receipt, disbursement, or expenditure of public money. And examples would be deputy ministers, assistant deputy ministers, senior managers, financial administrators, and office managers, as well as information technology positions which have responsibility in modifying operating systems. So they have the ability to establish or reroute client payments.

Positions that require an individual to interface with third party service delivery systems where the third party requires criminal record checks . . . and that would be DCRE [Department of Community Resources and Employment] staff working at the CanSask centre accessing the federal data base, as well as other positions that the Public Service Commission along with the government department might determine requires a criminal record check.

Now before this, we already had criminal record checks in place for people working with vulnerable children, so child care workers, correction workers, people working with vulnerable adults; people involved in law enforcement, so that could be conservation officers, people working in highway traffic, as well all of those folks working in Justice, the public prosecutions, court services staff, and so on.

So there were, previous to our expanded policy, people who would require criminal record checks, but that has been widely expanded. And now I believe that there are about, I think it's over 50 per cent — is it 50 per cent, Clare? — about 50 per cent of people who work in the public service are in positions where a criminal record check is required.

I should also tell you that the types of employment that people are subject to a criminal record check would be permanent full-time, permanent part-time, non-permanent, temporary casual, people on a personal service contract, volunteers, order in council, students, labour service, term. So all types of appointments where they are being appointed to a particular position that is designated as requiring a criminal record check, those folks have to undergo a criminal record check.

**Mr. Chisholm:** — I wonder if you could tell me how many criminal record checks have been . . . because my understanding, anybody applying for a new position that qualifies would need one. But also some of the people that are in positions now of trust, that didn't need them before, over a period of time will have to get them.

**Hon. Ms. Atkinson:** — That's correct. Now this briefing note that I have was, as of November 23 . . . it was written November 23. But the data isn't totally up to date, so just bear that in mind. We believe that there are 196. As of my briefing

note, 196 criminal record checks have been completed by the Public Service Commission; 190 of those resulted from staffing actions, and six criminal record checks were submitted voluntarily by employees. So those are already people working in the system who submitted criminal record checks because you'll recall that we indicated that people had five years, and then they would have to submit a criminal record check. So there are already people volunteering to submit a criminal record check.

I could give you this further data. Of the criminal record checks completed, 109 were for positions entrusted with the care of and intervention with vulnerable clients. So these would already be people who would have been under the old policy of criminal record check. Sixty-six were for positions responsible for public money. Ten were for information technology positions, so they would be folks who could modify a system, a technology system. And 11 were for positions involved in law enforcement, so they would have been under the old policy.

So in essence there are 76 out of the 196 that are subject to the expanded policy. And I can give you the breakdown in terms of full time and part time if you want.

**Mr. Chisholm:** — No that's fine. So my understanding is that when this is fully implemented, there will be about 4,000 people that would be involved, that would need . . . I think I saw that somewhere. Of the total 11,000 public service, approximately 4.

**Hon. Ms. Atkinson:** — I think it's closer to 6,000 people.

**Mr. Chisholm:** — Okay. So I guess my question is, when is this all going to happen? Like is it not going to happen for five years for the big bulk of these people? Or do you think that they will be coming forward and getting this done soon? Are they being encouraged to?

**Hon. Ms. Atkinson:** — Well I think up until now we have not encouraged existing employees to submit a criminal record check because we've been trying to get the system up and running, and we're dealing with a new process. But even given the fact that we've encouraged people not to yet submit their criminal record checks, six have.

Once we have our system fully operational and we're fairly comfortable with the system, then we will encourage our existing public service who are in those designated positions to provide us with a criminal record check. But we have given the public service five years to submit to a criminal record check.

Now if they're moving from an old position to a new position that requires a criminal record check, obviously to make that move they would have to provide us with a criminal record check.

**Mr. Chisholm:** — What is the cost of getting a criminal record check? There seems to be a couple different levels. You can start with local police, and then if that's not enough, you go to the RCMP [Royal Canadian Mounted Police]. And is there costs involved to the employees for these?

**Hon. Ms. Atkinson:** — My understanding is that the cost is \$25.

**Mr. Chisholm:** — Would there be information available on things other than just in our own country? Like even if it was the RCMP, if you were an international criminal, would that show up anywhere? Do you know?

**Hon. Ms. Atkinson:** — I can't answer your question. We're talking about, I think, CSIS [Canadian Security Intelligence Service]. I know that there is information that the central intelligence service has that is shared with the RCMP.

But my understanding is that people who want to apply for a position in our public service have to — and they're applying into a position that is designated — they have to submit to a criminal record check, which means they have to get a Canadian criminal record check through the RCMP.

**The Chair:** — I recognize Mr. D'Autremont.

**Mr. D'Autremont:** — We had agreed previously to a time limit on asking questions because we have a number of other ones to go through. And we actually went a little beyond the time because of the need to elect a chairman here. So I think we've reached a point where perhaps it is time to move an adjournment for this.

I would like to move a motion, Mr. Chairman:

That this committee adjourn its considerations of the supplementary estimates of the Public Service Commission.

**The Chair:** — Moved by Mr. D'Autremont:

That this committee adjourn its consideration of the supplementary estimates for the Public Service Commission.

Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. At this time I'd like to thank the minister and her officials for attending here. And thank you very much.

**General Revenue Fund  
Supplementary Estimates — November  
SaskEnergy Incorporated  
Vote 77**

**Subvote (SE01)**

**The Chair:** — The first item of business is the supplementary estimates for the department. It's SaskEnergy Incorporated found on page 17 of the Saskatchewan Supplementary Estimates book.

Mr. Minister, would you like to introduce your officials and make any opening statements.

**Hon. Mr. Van Mulligen:** — Thank you very much, Mr. Chair. Seated on my right is Ron Podbielski. He is the executive director of corporate affairs for SaskEnergy. On my left is Greg

Mrazek. He is the vice-president of finance and chief financial officer for SaskEnergy. And on my extreme left is Dean Reeve, executive vice-president of SaskEnergy.

Mr. Chair, I don't really want to make an opening statement, just perhaps let you know — members will know but let the public know — the issue we are dealing with is the supplementary estimate so that the GRF [General Revenue Fund] can make a payment to SaskEnergy to support the SaskEnergy Share program so as to enable SaskEnergy to hold natural gas increases to 10 per cent over the rate prior to November 1, and also to provide assistance for Saskatchewan natural gas consumers who live in Lloydminster but who are not served by SaskEnergy today.

**The Chair:** — Okay. Vote No. 77, SaskEnergy Share (SE01). Are there any questions? Mr. Dearborn.

**Mr. Dearborn:** — Mr. Chair, thank you, Mr. Minister, and welcome to your officials. We'll start exactly on those estimates on page 17. The second line item of subsidy for winter rate, I was wondering can you explain to me why this number doesn't seem to be broken down into what the cost was for effectively the gas subsidy and what the cost was for the conservation program. Perhaps you could outline for us those two different programs or point out to me where I'm misreading this. Thank you.

**Hon. Mr. Van Mulligen:** — The conservation programs are not part of this vote. Parts of the conservation program will likely show up at some point in Finance. Because for example on Energy Star furnaces, there's, you know, a change with respect to the PST [provincial sales tax]. So that's not SaskEnergy. But this particular vote deals specifically with the Energy Share program.

**Mr. Dearborn:** — What about the program with regards to the programmable thermostat? Is that a SaskEnergy program, or is that a Department of Finance program?

**Hon. Mr. Van Mulligen:** — Energy Star programmable thermostat program will be administered by SaskEnergy. We estimate the cost to be \$1 million. This is installation for a programmable thermostat qualifying for a rebate of up to \$45. SaskEnergy has established an activity code and other required object codes to deal with this item.

Cost of this program is to be recovered by a reduction in SaskEnergy's dividend to CIC. So the specific supplementary estimates we're dealing with doesn't deal with that. It deals with the, if you like, the transfer by the . . . [inaudible] . . . to SaskEnergy specifically to deal with the cost of natural gas.

**Mr. Dearborn:** — Thank you, Mr. Minister. Mr. Minister, would you just be able to clarify for me the codes. You said two words that frankly I don't have an understanding of the semantics there. And I'm sure the populace of Saskatchewan would be interested in just having that clarified.

**Hon. Mr. Van Mulligen:** — Any time you have an expense, that expense is for a certain activity. Within that, they'll be further object codes. Maybe if Mr. Mrazek wants to get into the details of that.

**Mr. Mrazek:** — The word activity code, the word object code are merely references to how we're going to handle this within our internal records in SaskEnergy.

**Mr. Dearborn:** — Thank you. Mr. Minister, then with regards to the first line item, the gas cost variance account deficit elimination, is that figure already reflective of the difference from the reduction in what the dividend is going to be paid for this programmable thermostat program?

**Hon. Mr. Van Mulligen:** — There's no funds that are proposed to be transferred from the General Revenue Fund which is the issue for, you know, the Legislative Assembly because they have control over what funds should be expended to SaskEnergy.

SaskEnergy will be internally be administering this program with respect to the thermostats and absorbing the cost of that. But it's recognized that that may then have an implication in terms of a reduced, you know, retained earnings and reduced dividend to the Crown Investments Corporation.

**Mr. Dearborn:** — Thank you, Mr. Minister. You could possibly just expand for me then how the numbers that we're dealing with today will not be in direct reflection of that \$37.3 million that is going to be coming out of SaskEnergy from some point to support these programs. Or perhaps it's not all coming out of SaskEnergy, but I'm given to understand there's a Share the Warmth rebate after . . . EnerGuide for Houses follow-up as well from SaskEnergy that's been announced. And then there's in the conservation program also the EnerGuide for low-income households, the EnerGuide for moderate-income households.

Where I'm sure the minister is not incorrect, however I'm having a little difficulty understanding how this number that we're viewing, the total on page 17, is in no way affected by those other numbers that are coming out of SaskEnergy. And I'm sure you'll be able to clarify that quite well for us.

**Hon. Mr. Van Mulligen:** — Yes. Summary of costs would suggest the following, and the total is 37.3 for the conservation programs. The PST exemption for furnaces would be administered by Finance. The estimated cost is \$1.5 million. But this is a program that takes effect November 8 and runs till March 31, 2007. So I'm not clear what specific, you know, cost that would have for Sask Finance in this year's budget as opposed to future years' appropriations.

The programmable thermostat is, as I have explained, to be absorbed by SaskEnergy. The estimated cost is \$1 million. The start and end dates of that are September 1, '05, running through again to March 31, '07.

The Share the Warmth program, SaskEnergy, that's a cost of about half a million dollars, but that's not something that will take effect until 2006 and is proposed for 2006 through 2010. So maybe I'll just stop at this point and just again emphasize that these are not all necessarily costs related to this specific fiscal year. These are costs that extend over a period of time as a total cost of the program.

The rebate after EnerGuide for Houses follow-up audit estimated at \$12.3 million administered by SaskEnergy again

runs from September 1 of this year into 2007. The EnerGuide for low-income households is going to be absorbed and administered by Sask Housing at a cost of \$12 million, and that program runs from January '06 through to December 31, 2010. And the other program is EnerGuide for moderate-income homeowners, also is going to be administered by Sask Housing. And again that takes effect January 2006.

For SaskEnergy again recognizing that their fiscal year starts on January 1, implications for this particular fiscal year for SaskEnergy are limited, I would think, because of the uptake that we might see. Certainly we'll see more in the future, but the understanding is that SaskEnergy will administer these programs as I've indicated. And then these, you know, we expect that will show an increase in their cost because of that. And there's an expectation that there will be a reduced dividend to the CIC as a result of that.

**Mr. Dearborn:** — Thank you, Mr. Minister, and I thank you for acknowledging that. I guess I still have a bit of a question with regards to the programmable thermostat program and the rebate after EnerGuide for Houses follow-up audit. There's a potential there that the start date of these programs is September 1 in '05. They would total 13.3 million which I see that they would run through until March 31, '07. However some of that would fall in this fiscal year potentially. And I would like to know how that, which is a larger, you know, theoretically a larger portion than 10 per cent of the total numbers we're talking about in the supplementary budget, how those have been affected.

**Hon. Mr. Van Mulligen:** — Again the question that the member raises has no bearing on the specific issue that's before us.

But again with respect to the Energy Star programmable thermostat program, we estimate the total cost of that to be \$1 million, which will take us from September 1, '05, through to March 31, 2007. And that particular cost as borne by SaskEnergy will be recovered by a reduction in SaskEnergy's dividend to CIC.

With respect to the energy guide matching program, estimated cost of \$12.3 million, my understanding on that one is that CIC is responsible for funding that program. SaskEnergy is delivering, but we will be invoicing CIC on a monthly basis for the cost of that program.

**Mr. Dearborn:** — With regards to the first line item, again with the gas cost variance account and the elimination of the deficit, would you be able to highlight for us where the account was prior to this and why this . . . what were the causes for this particular number to come up as it is? As in the briefings that I had with SaskEnergy earlier, they were doing quite a good job at managing this account previously.

**Hon. Mr. Van Mulligen:** — The last time there was a rate increase in Saskatchewan . . . was approved in August 2003. And at that point, the rate review panel indicated that SaskEnergy should supply gas to its customers at a rate of \$6.97 per gigajoule, but the cost of gas that SaskEnergy has purchased at times since August 2003 has been higher than \$6.97 a gigajoule.

But it made a commitment to its customers to provide the gas at that amount. So what it does then, it subsidizes the cost of gas for its customers and does that by creating a deficit in the gas cost variance account. And over time that account has escalated to — what would you say? — \$30.9 million.

That deficit may have been higher also at points in the period of time since August 2003. But because sometimes you purchase gas . . . is higher than the rate that you're charging customers, sometimes we're able to get it less than. But the deficit as of the end of October was \$30.9 million.

**Mr. Dearborn:** — Thank you, Mr. Minister. The subsidy for winter rate, this is going to be provided to all of the natural gas consumers in the province utilizing SaskEnergy's infrastructure. Is that correct?

**Hon. Mr. Van Mulligen:** — It's going to be provided to all natural gas customers who come under the — how shall I . . . [inaudible] . . . it — the aegis of the rate review panel.

**Mr. Dearborn:** — Would that be all the SaskEnergy . . . This would be everyone that they deliver gas to then?

**Hon. Mr. Van Mulligen:** — We have some customers, some industrial customers that we contract with outside of the rate review panel process, and these customers want us to deliver gas based on, you know, different rates and different charges than we charge residential customers. They may want a longer term. Sometimes they'll want a shorter term. And if you like, I can ask one of my officials here to get into the details of that, but . . . You want us to?

**Mr. Mrazek:** — The natural gas market in Saskatchewan has been deregulated for quite a number of years, and any consumer in Saskatchewan can contract to have their natural gas at whatever rate that they can get from a shipper or from a producer.

So what has happened is that for companies for larger users in Saskatchewan, they contract their own gas. They would not come to SaskEnergy to buy their gas. We still deliver it to them because they have to use our pipe, but they can contract with the gas whoever they want. So it's a competitive market. So in the competitive market where we may be bidding to sell gas to a large industrial user in Saskatchewan just like anyone else does, those are not within this particular program. It's just what we refer to as a retail rate for Saskatchewan users that's under this particular program.

**Mr. Dearborn:** — Thank you. Mr. Minister, well it would seem to me . . . Will you be reconsidering that decision with regards to who is able to receive these subsidies in the fact that SaskEnergy and their infrastructure is actually delivering all this gas and obviously they are all residents of Saskatchewan and all customers within Saskatchewan? Will that be revisited?

**Hon. Mr. Van Mulligen:** — Well they're all natural gas users located in Saskatchewan. Having said that, for certain classes of customers it's a competitive market, and some customers are able to take advantage of natural gas contracts outside of SaskEnergy, are not covered by the rate review panel process. Some of those customers will have locked in at rates that are

lower than the rates that even now we propose to provide. So that was not our position when we announced the program. You know, we're always in discussions with people in the industry, but that's the decision that we took at that time.

**Mr. Dearborn:** — Thank you, Mr. Minister. As I'm sure you're aware, there are a number of customers in the commercial class outside the purview of SaskEnergy direct customers. And in some cases they would own condominiums or seniors' complexes, and they are thereby forced to pass these costs along to the most vulnerable in our society.

And it would seem to me this is failing to be fair. You know, those people hear the announcement in the reduction, and yet they're going to get hit. Obviously these contracts will expire at different times. They may have to renew when the price is going up, as you are aware that it is, and your government has acted to respond to that. However this is an oversight that I would like an answer to because I feel that it, I'm sure, was missed by the government, not intentionally because I also think there's... Health regions would fall into this. And we all know the pressures on our health care system.

**Hon. Mr. Van Mulligen:** — Mr. Chair, all I can say is that we looked at the range of natural gas users in Saskatchewan. We recognize that SaskEnergy delivers natural gas to certain customers. These customers are subject to the rate review process.

Other customers in Saskatchewan — some institutional, some commercial, some industrial — say that we think we can do better than SaskEnergy, you know, and are also desirous of longer-term contracts than SaskEnergy is able to provide and therefore have contracted with others to supply them with the natural gas. Many of those are customers who locked in prior to the natural gas rates spiking as they did because of the hurricanes in the gulf and therefore were able to lock in at rates that were lower than the rate that we're charging our customers.

And so if the member wants to advocate that nevertheless those customers should also get a rebate, he can do that. But that's not the position that we've taken.

Are we insensitive to people of limited incomes? I don't think so. We clearly recognize in our program that there will be additional costs for people on very low incomes in Saskatchewan and that any response in terms of dealing with natural gas increases also needs to factor in, you know, some sensitivity to the needs of low-income people in Saskatchewan. Our plan has done that, contrary to some other plans that were put forward at the time.

**Mr. Dearborn:** — Thank you, Mr. Minister. I would have the question in situations where there are seniors in condos on fixed incomes that have been CEG [CEG Energy Options Inc.] customers, for example. Would it be your government's position that they should be advocating their landlords to change their contracts if their natural gas prices are to increase?

**Hon. Mr. Van Mulligen:** — All I could say is that people in condos, when people come together and they look at their natural gas needs and say that we don't like the kind of offering that we would get from SaskEnergy and therefore prefer to have

the kind of offering provided by another company because they're able to provide rates on a two-, three-year basis, then that is their prerogative. They can choose to do that. And again in many instances, they were able to lock in at rates that are still less than the rates that are being charged to SaskEnergy customers.

Now if the member again is advocating that, notwithstanding that fact, we should also subsidize those, if you like, subsidize their gas costs to drive them down to something far less than other SaskEnergy customers are paying, you know, that's his prerogative to make that, take that position.

**Mr. Dearborn:** — Thank you, Mr. Minister. Mr. Minister, would your government consider, if there was proof of contracts expiring... And you're right, some good business decisions have been made to buy natural gas under the price that was formerly offered by SaskEnergy. But in the future, they may be forced, from the market conditions, to be contracting at 12, \$14 a gigajoule, that those individuals, if they're able to show that the contracts are there, that the government would maybe be able to split the difference with them. Is that something that you would consider?

**Hon. Mr. Van Mulligen:** — Mr. Chair, most of the contracts, if not all the contracts, entered into by parties who contract with another supplier of natural gas or distributor of natural gas, are all entered into and would expire before November 1 of the year. So we don't expect that any contracts will be expiring in the upcoming few months. Again, people will have to make their own decisions.

And again the reason that some institutions, commercial operations, industries make the decision to purchase gas from this other company is because that other company is in the business of providing gas for periods of two or three years with guaranteed rates for those periods. We're not in that business, and my guess is that even after April 1, those institutions and commercial customers will again want to evaluate what is in their best interests. But again the reason that many of them are in that position is that because they like the predictability of the long term because they feel it helps them with their particular needs.

**Mr. Dearborn:** — Thank you, Mr. Minister. So if I'm understanding from your answer, SaskEnergy which is the owner of the delivery system, the infrastructure per se, has knowledge of the terms on the contracts, at least on the dates that the gas has to be delivered and what time they're going to terminate.

The question is then begged is, what consideration was given to ensure that these businesses could remain viable after this subsidy has been put forth which may put them in a very... How many contracts are coming forth that their customers may be forced to go to SaskEnergy because of changes in the market? And yet Sask Energy knows this because it actually delivers the contract. It seems to me that there's a high disregard for that business.

**Hon. Mr. Van Mulligen:** — Again, Mr. Chair, the business in question I think has done relatively well in Saskatchewan because they're able to provide a service that SaskEnergy does



not provide.

SaskEnergy provides service to customers based on, you know, an estimate of what we think we can provide gas for, for a period of usually about a year. There's a suggestion that we look at shorter term rates than that, but generally a year.

But that's not good enough for some institutional, commercial, and industrial customers because they have a need to plan forward and need to have some predictability. And it makes sense for them. My guess is that there will always be customers for that other company because they provide a very valuable service for those customers.

The situation is not, my sense, different than someone who's facing a renewal of their mortgage. You know, do you want to renew for one year given the rate that's available for that one year, but do you renew for two or three years? And there are those among us who, for various reasons, would opt for a longer term because of the predictability, you know. And those are choices that people make, and those are choices that those institutions and businesses also make.

**Mr. Dearborn:** — Thank you, Mr. Minister. I think where your analogy fails however with regards to locking in a mortgage is if you have mortgage with an institution that is three years, and into year two you have a government subsidized financial institution next door that says it's going to provide this subsidy, your own institution cannot and you are faced with the question of renewal. It's going to make it very difficult for the institution that you are with to be able to be competitive.

And I think this is a question that has been raised. Certainly I've received letters to this effect — in particular the customers of CEG — and I know that amongst them are the Regina Qu'Appelle Health Authority, Saskatoon Health District. It seems unconscionable to me that we would not try to accommodate those institutions at least by splitting the difference with them. If there is an unnatural . . . If the subsidy is distorting the market, which I am contending here that it is, and it's for a noble reason because of the spike in energy, it should not be . . . Everyone in Saskatchewan should be the beneficiaries of that, not only the SaskEnergy customers. And I think from the minister's statement, fair enough. If they are contracted under value, why would they need to be subsidized further?

That's not what my primary concern here is. If these contracts expire and, you know, the company in question does its best to provide a future contract but cannot match what SaskEnergy is able to match due to their subsidy being received from the General Revenue Fund here, there is going to be the real risk that this business is going to be driven out of the province. And I want to know what the minister intends to do to alleviate that risk.

**Hon. Mr. Van Mulligen:** — Well again I stand to be corrected on this. But my sense is that there will have been times in the past where people will have contracted with the other company for a longer term, even though the rate that they were paying at that point and were being asked to pay was higher than the rate that SaskEnergy was charging its customers at that point simply because they prefer longer term.

We shall have to see what impact this will have on the other company. We've had discussions with them, certainly prepared to have further discussions with them. We think they offer a valuable service for a certain class of customers and have every expectation and confidence that they will continue to do that.

**Mr. Dearborn:** — Thank you, Mr. Minister. I hope that in any way that I could accommodate you meeting with them, I'd be able to do so, because I'm sure that they would like to see an amiable solution in the best interests of all people in Saskatchewan.

With regards to the third item on the line, the assistance for Lloydminster with regards to Saskatchewan natural gas consumers, there's \$1 million there. I would like just a brief outline on exactly what the case is in this unique city, where the delivery system is coming from, and how the subsidy — if that is indeed what this \$1 million is for — it is a subsidy alone or if that could just be expanded on.

**Hon. Mr. Van Mulligen:** — We've made arrangements with Direct Energy who supplies most of the natural gas to customers in Lloydminster, including those on the Saskatchewan side of the border. We've contracted with them to ensure that we have their information to be able to provide a \$200 cheque . . .

**A Member:** — It's going to be a reduction.

**Hon. Mr. Van Mulligen:** — A reduction on their bill, one-time, to those customers on the Saskatchewan side of the border in Lloydminster. And included in that will also be various administrative charges and the like.

**Mr. Dearborn:** — Thank you, Mr. Minister. Is that for all those Direct Energy customers in the municipality of the city of Lloydminster, Saskatchewan? Or is it residential only?

**Hon. Mr. Van Mulligen:** — No. It's all regulated customers. And that would be apartments, commercial, industrial, and residential.

**Mr. Dearborn:** — Could you elaborate for us just how that number was determined? Is it going to be . . . Where did the approximation of the \$200 come from, relative . . . How is that calculation come by, that there's going to be this reduction on the cheque, just so that it is — right down the road in Maidstone — fair?

**Hon. Mr. Van Mulligen:** — Well the average residential customer in Maidstone will see — what? — about 245 on average, reduction in their bill over a period of months, in this particular case and also the case with support we're providing for people who have other home heating. We're making what is in effect a one-time payment of \$200. If my officials have any further clarification as to how that number was arrived at, maybe they can respond to that.

**Mr. Mrazek:** — The average consumer would use, roughly speaking, about 90 gigajoules a year. So when you multiply that by the approximately \$2 of the subsidy that's been going to the rest of the Saskatchewan consumers, it comes to about \$200. It's an estimate. It's an approximate amount.

**Mr. Dearborn:** — Thank you. Thank you for those answers. I would continue. I'm just going to ask on the bottom line item here, the hundred and almost twenty-four million dollars. This is going into exactly which account in SaskEnergy, or it's divided between . . . there's going to be three separate accounts just as it's lined here, that that's where the money will end up?

**Mr. Mrazek:** — What's happened is that this, from SaskEnergy's perspective, the amount of funds that are being received from the General Revenue Fund are considered to be a reduction of the cost of gas. So when SaskEnergy's accounts, when we receive this money, we will code it so that it's a reduction of the cost of gas.

**Mr. Dearborn:** — All three. So you'll have gas providers which will invoice you for the actual product, and this will just go there. It'll go into that same account that pays them out, and it just won't be passed on to the customer.

**Mr. Mrazek:** — That's right. There are two separate mechanisms that are happening here. You are correct in what you've said. We will receive \$7.95 from the customers, and then we will pay the producers for the cost of gas. The difference between the 7.95 we get from the customers and what we actually pay the producers, the difference between those two numbers, will come from the General Revenue Fund under this vote.

**Mr. Dearborn:** — And you will receive, when these estimates are voted off, all this money will come in one chunk?

**Mr. Mrazek:** — No. What we are going to do is we're going to bill monthly the actual amount. If it happens to be less than the amount here, we will only bill the actual amount. The concept is to keep the gas cost variance . . . [inaudible] . . . SaskEnergy zero at the end of every month from November to March.

**Mr. Dearborn:** — Thank you. With regards to the . . . is the difference . . . Because we're talking about \$100 million and the interest and whatnot, you have forecasters that are hedging your future buying, and that's where these numbers are derived from. Would that be correct?

**Mr. Mrazek:** — The calculations that you see here were derived from our commodity rate application. So the application was made public on October 11. These numbers are based on all the figures that were in that October 11 commodity rate application.

**Mr. Dearborn:** — The *Calgary Herald* had over a month ago predictions of \$20 a gigajoule following Hurricane Katrina and in the event of a possible North American cold snap through the winter.

This 100, nearly \$124 million, is that absolutely sufficient to be able to meet this cost relative to those predictions, or what is the average gigajoule price that is being used in factoring this? Is it around 12 to \$14, or what do we do in the event that we have this increase?

**Mr. Mrazek:** — The numbers, as I indicated, are from the commodity rate application. And the estimate, we have estimated that our cost of gas per gigajoule will be \$10.31 per

gigajoule. That's the estimate that we have.

**Mr. Dearborn:** — Are you receiving some sort of bulk buying discount?

**Mr. Mrazek:** — No, no. What you have to remember that what's happened is that we injected gas into storage during the summer of 2005, and that gas is in storage at a little over \$7. About 40 per cent of the natural gas that we sell during the wintertime will come from storage. So it's averaged down the price an amount.

So it's a combination of the natural gas and storage at a fixed rate plus the estimate of the future price. It's a combination of those two.

**Mr. Dearborn:** — Thank you for that answer. That clarifies things.

With regards to the subsidies here, there is something that seems to be lacking. And that's with regards . . . And I know that this House has heard time and again about recreational facilities across the province. I know in my own hometown the vote was cast to close the Eatonia curling rink this winter. Where, if at all, has this been recognized?

**Hon. Mr. Van Mulligen:** — Again, Mr. Chair, everyone in Saskatchewan that receives the commodity through SaskEnergy will be assisted through the Energy Share program. And the increases for rinks and recreational facilities that I assume are in the general service 2 category at SaskEnergy, their rates will also be held down to an increase of 10.9 per cent.

You know, I appreciate the concern the member raises. I expect this is a concern in many rural areas in Canada. But we are endeavouring to keep the costs down compared to all other jurisdictions, and we think that will be helpful.

**Mr. Dearborn:** — Yes thank you, Mr. Minister. The concern that has been raised by community after community is that the cost is too high upfront, let alone the increase that the . . . These are cultural facilities and don't seem to have been recognized as cornerstones as such. And I would hope that the minister would take this into consideration in the fact that we're dealing with an additional \$124 million. These are extremely important to the economic health of communities. Because without a social centre, it just fails to make the community viable.

And though the rate increase being held at 10 per cent I'm sure is appreciated, still the increase in the initial cost is often more than communities in Saskatchewan are capable of bearing for the recreational facilities. And I don't think that this is limited purely to rural, but obviously with dwindling rural populations, but in our cities as well there's great cost to this. I would hope that the minister will be reviewing this in the future and could give us some positive feedback on it as we've asked for it in the past.

**Hon. Mr. Van Mulligen:** — Well I certainly agree with the member that it's a challenge for some of those organizations and institutions.

**Mr. Dearborn:** — Thank you, Mr. Minister.

**The Chair:** — I recognize Mr. Toth.

**Mr. Toth:** — Thank you, Mr. Chair. Mr. Minister, and to your officials, when you announced you're holding the line on energy price increases, kind of set it at, it was around 10 per cent, you also announced that their consumers on propane and oil heating would be receiving a one-time rebate to help compensate in their additional costs. Was any thought given . . . And why was electrical not included?

**Hon. Mr. Van Mulligen:** — That's a good question. But I would just point out that whereas propane and home heating fuels generally — you know not specifically, but generally — one can look at the increasing prices for those commodities because they're an alternative to natural gas. Nevertheless they seem to go up about the same rate. As natural gas has been going up, so propane has been going up at relatively the same amount as natural gas. And therefore we felt it was appropriate to make that kind of, you know, show of support for people that are limited to those options.

But you know, electrical customers are subject to a . . . energy from, if you like, from SaskPower which is also subject to the rate review panel. There was an increase sought by SaskPower earlier in the year, the rate. Then SaskPower decided to not proceed at that point because of, you know, an unexpected — you know and I'm not the Minister Responsible for SaskPower — but as I understand it, they had some unexpected good fortune in their costs of producing electricity because of a good year with hydro. And they've now received an increase of 4.9 per cent — not to be confused with I think something in the neighbourhood of a 41 per cent increase that SaskEnergy was pursuing at one point. So I think that's the rationale for why we did not go to those who depend on electricity for home heating.

**Mr. Toth:** — Thank you, Mr. Minister, Mr. Chair. I guess the question that has . . . and the reason that it's arisen, there are not a large number of customers are on electrical. And over the years electrical has tended to be considerably higher than other forms, forms of heat. And the feeling, while it was accepted, is well all of a sudden natural gas takes off on us and all their customers are receiving a rebate. And yet we've had to eat the fact that we . . . At the time when we made the decision to go with electric heat, it appeared to be the right decision. And as the price increases were coming into effect, there was no consideration given. And that's basically where the question is coming from, Mr. Minister, and I just wanted to bring it to your attention. And the question was, why was there no consideration given at this time?

**Hon. Mr. Van Mulligen:** — I think it's fair to say that consideration was given but the major concern confronting the government — and obviously the opposition because they also commented on this — was the . . . and the Saskatchewan rate review panel — was, I think the term they used was rate shock for natural gas customers, because the ultimate demand or ask by SaskEnergy for rate increase was 41 per cent.

And the rate review panel, I think again, used the term rate shock for customers. And so they said you can't have 41 per cent; it's going to have to be something less than that.

And the government said no, it's got to be even less than that. It

will go up to 10 per cent recognizing that electrical customers . . . At the point this program was put together, SaskPower was saying no, we're going to defer any request for an increase and the request that they did ultimately make for an increase was 4.9 per cent, still half of the increase that our natural gas customers are seeing.

**Mr. Toth:** — Mr. Chairman, Mr. Minister, another question I'd like to raise without monopolizing all my colleagues' time as well is in regards to energy. And you also announced a program to assist homeowners in making their homes more efficient, as well as providing some assistance to upgrade into more efficient furnaces.

And the other question that's coming up, were you including, say, the grain-burning furnaces that are now on the market? People went to those that are trying to cut their fuel costs — or the geothermal units that are now being installed even more so. As people begin to weigh the options would those types of heating be included in the assistance for changing into more fuel efficient heating systems?

**Hon. Mr. Van Mulligen:** — No. We are not proposing that we're going to deal with all of the challenges that Saskatchewan people will have as we move forward into an environment of what is believed to be ever-increasing energy costs.

We know that we have more work to do in terms of this piece. Here we're looking primarily at natural gas customers to see what we can do to assist them.

But no, we have a larger challenge in terms of not just energy conservation but also in terms of climate change to see what we can do to reduce greenhouse gas emissions and find ways to assist Saskatchewan people to conserve and also look for alternatives, whether it's geothermal or other. But that's I think going to be part of a larger piece as we move forward here.

**Mr. Toth:** — I guess the question, Mr. Minister, then is, will your department consider looking at some of the alternative sources versus someone just upgrading to a more fuel-efficient propane or natural gas? If an individual — especially in the rural community — looks at, okay well I'm going to put in a grain-burning because I've got all kinds of grain sitting in the bins that's going nowhere anyway, and I'll use that source versus the higher cost of some of the other commodities or in fact the geothermal units. Are you saying that you're looking at it and that's an avenue? Because when you look at it, the initial cost to put one of these units in is no different than to change to a high-efficient natural gas furnace.

**Hon. Mr. Van Mulligen:** — It wouldn't necessarily be SaskEnergy that would be looking at that. We're a natural gas distribution company.

And when I say we are, I am referring more generally to the government. And it may well involve departments such as the Energy Conservation Office which is located within the Department of Environment. It could include the Department of Industry and Resources.

It may include other interests within government as we look at the challenges that face this more broadly and how it is that we

can assist Saskatchewan people to face a future where we contribute less to greenhouse gas emissions and also assist ourselves to conserve energy, whether it's geothermal or whether it's solar panels or whether it's reverse meters, so that people who have, you know, a windmill on their own farm to generate electricity and then through a reverse meter can put electricity, if you like, back into the grid. I think those are all issues that we have to look at and plan for and deal with in the coming months and years.

**The Chair:** — Mr. Dearborn.

**Mr. Dearborn:** — Mr. Minister, I have one final question for today, though I have many questions to follow. With regards to the \$92 million and the subsidy for the winter rate, there are the alternative fuels being used besides natural gas, such as home heating fuel, propane, etc. Where and how are these going to be monitored so . . . I could see, for example, home heating fuel. How are we going to know that that furnace exists? What is going to be the mechanism to claim that subsidy? You know, there's some homes that have the old furnace and the new furnace both still in the basement, right. And how is the government going to monitor that, and what is that cost going to be?

Is this going to be a flat cheque — not unlike what's happening in the municipality of Lloydminster — paid out one time, or are there going to be submission of bills? And then if there are submission of bills, is . . . Home heating fuel also crosses for farm diesel. I mean how is the government going to monitor this, and what is that cost going to be?

**Hon. Mr. Van Mulligen:** — That's going to be delivered through the Department of Industry and Resources and best to get clarification from them on that issue. I would not want to get into the details of that here.

**Mr. Dearborn:** — Thank you, Mr. Minister. Is the money paying for it coming from here though, or . . . Okay. Thank you. I have many questions to follow, but thank you, Mr. Chair, for right now.

**The Chair:** — I recognize Ms. Harpauer.

**Ms. Harpauer:** — Thank you, Mr. Chair. I move:

That this committee adjourn its consideration of the supplementary estimates for SaskEnergy Incorporated.

**The Chair:** — Moved by Ms. Harpauer:

That this committee adjourn its consideration of the supplementary estimates for SaskEnergy Incorporated.

Is that carried?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I'd like to thank the minister and his officials for attending here this afternoon.

**Hon. Mr. Van Mulligen:** — Thank you very much, Mr. Chair, and to the members for their questions. I certainly hope that as

we go forward, that Saskatchewan people will be blessed with a mild winter and that we will be able to purchase gas and keep their costs down even more so in the future. Thank you very much.

**The Chair:** — We will have a brief recess when the next officials come in.

[The committee recessed for a period of time.]

**The Chair:** — The first item of business is the supplementary estimates for the Department of Property Management, found on page 16 of the Saskatchewan Supplementary Estimates book.

**General Revenue Fund  
Supplementary Estimates — November  
Property Management  
Vote 13**

**Subvote (PM07)**

**The Chair:** — Madam Minister, if you would please introduce your officials and make any opening remarks.

**Hon. Ms. Higgins:** — Thank you very much, Mr. Chair. I'd like to introduce to you and members of the committee the officials from Saskatchewan Property Management who are here today. To my left is Ms. Deb McDonald, who is the deputy minister of SPM [Saskatchewan Property Management]. To my right is Mr. Donald Koop, assistant deputy minister of commercial services. To my far left is Mr. Garth Rusconi, assistant deputy minister for accommodation services. And sitting behind at the table is Ms. Debbie Koshman, who is the assistant deputy minister of corporate support services. I would like to thank them for coming before the committee today to assist me in answering questions that the committee may have.

As members may know, SPM offers a wide range of centralized support services to meet the needs of government. The department's major services are accommodations and transportation, including the centralized vehicle agency. SPM also purchases supplies and equipment and provides telecommunications and mail services to the government departments.

While government departments are SPM's major client, we also provide services to regional health authorities, Crown corporations, SIAST [Saskatchewan Institute of Applied Science and Technology], and government agencies. The department provides high-quality and cost-effective services on a cost-recovery basis, and in order to meet the needs of our clients we will require incremental funding of \$1.4 million over and above our initial budget estimates for 2005-06.

This funding is required to purchase vehicles for one of our major clients. More specifically we are purchasing 48 more fuel-efficient minivans to replace larger cargo vans. The cost of the vehicles will be recovered through vehicle lease agreements with the client.

With that I welcome any questions you may have with respect to the incremental funding requirements. Thank you.

**The Chair:** — Vote no. 13, major capital asset acquisitions (PM07). Are there any questions? Mr. Huyghebaert.

**Mr. Huyghebaert:** — Well thank you, Mr. Chair, and welcome to the minister and officials.

You've already answered a couple of my questions — 1.4 million for new vehicles. I guess one of the things I'd ask, 48 vehicles — and you said they're fuel-efficient minivans — have they been purchased yet, or are the tenders out? And if so, what is the tendering process for these new vehicles?

**Hon. Ms. Higgins:** — They are more fuel-efficient than the vans that are currently being used. This was a request by the client, that these smaller vans suit the needs of the corporation. There was an order that had been put by another organization that they backed out of, so these vans became available. These are a van that is suited to the needs of the client and this line is also discontinued.

So this was an opportunity that came up that hadn't been anticipated, so the extra funding was requested and that the vans will be used by the client. So they were a bulk purchase from a dealership.

**Mr. Huyghebaert:** — So I take it from what you said they were not tendered.

**Hon. Ms. Higgins:** — There was a tender that was issued earlier in the year and these vans were included in that tender. The number of vehicles was just increased.

**Mr. Huyghebaert:** — So I go back to my premise again. These vehicles, these 48 vehicles were not tendered because if they were put out to a general tender and it was not accepted from the past . . . I mean if it was accepted in the past then you wouldn't need another 1.4 million for 48 new vehicles now. So what I'm understanding you to say, you put out a tender a long time ago where you didn't purchase the vehicles. But all of a sudden you went and purchased 48 more for 1.4 million.

And my question specifically is, was there a tender put out for these 48 vehicles?

**Hon. Ms. Higgins:** — What happens is that in the initial tender there is an estimate of the required numbers of vehicles that will be needed in various categories, whether it is trucks, whether it's heavier trucks, whether it's vans, whether it's cars.

Now the manufacturer was awarded the initial tender. And when the increased number of vans became available, they were included in the tender. But this manufacturer had already been awarded the tender based on an estimated number of vehicles that is refined as the departments, or whomever we are dealing with, puts in more specific numbers. So it's just the adjustment of the numbers of vehicles that are within the tender.

**Mr. Huyghebaert:** — So if you put out a tender for one vehicle and somebody won the tender for one vehicle and all of a sudden you wanted to add 1,000 vehicles, that would be perfectly acceptable. Is that correct?

**Hon. Ms. Higgins:** — Well that's exaggerating because it

would be highly unlikely that there would ever be a tender for one vehicle, not unless it was something unusual, a large piece of equipment that was specific to one area, but in vehicles . . . never heard of it being done.

**Mr. Huyghebaert:** — But under your analogy is that you've had a tender, and the tender has been won. Now you can add on to that at the discretion of whom, your department?

**Hon. Ms. Higgins:** — When you are looking at tendering, especially for vehicles, each department or the departments that are in need of replacement vehicles would make an estimation of what's needed in the out years. You couldn't wait until the need was immediate and there because you're well aware, I mean tendering and the planning for these things is done ahead of time. So there is an estimate of what is needed. That would be included in the initial tender, and it is refined as the departments come forward with the exact numbers that they will need.

**Mr. Huyghebaert:** — Well Madam Minister, I guess that's where I was kind of leading to because you just kind of gave the roundabout answer to my other question. Because planning is done ahead of time, and yet we now see \$1.4 million added in supplementary estimates. So the planning originally . . . You just described to me just minutes ago that it was a pop-up and all of a sudden a requirement. So where was the planning prior to that?

So this is what I'm getting at. The tendering process, you can argue and debate the tendering process. We put it out because we have done good, ultimate planning for the year. But oh, by the way, we've had a pop-up for 48 vehicles, so we don't have to put a tender out.

**Hon. Ms. Higgins:** — The initial request from this client and projections was for 57 new vehicles. When the client became aware that these vans — which are suited to their needs — became available, then they came forward to us for the request to acquire this increased number of vans. That was included and that's what this extra money is for.

Acquiring these vehicles this year will also reduce their requirements for the coming year because it is being done, as you say, a pop-up. These vans are suited to the needs of the client. When this opportunity came along to purchase these 48 vans they felt that it was something that needed to be done this year, so the request was made to us and that's what we've followed through on.

**Mr. Huyghebaert:** — Madam Minister, you mentioned the client with 57 . . . originally had requested 57 new vehicles. Was this 57 the total number of vehicles in the original tender?

**Hon. Ms. Higgins:** — No. They would have been just one part of . . . Any other clients that would have been requesting vehicles similar would have been included in this same tender.

**Mr. Huyghebaert:** — What would have been the total number of vehicles in the tender?

**Hon. Ms. Higgins:** — The estimated total in the initial tender was for 450 vehicles.

**Mr. Huyghebaert:** — Mr. Chair, to the minister, were the 57 new vehicles requested by the client, were they purchased?

**Hon. Ms. Higgins:** — Yes.

**Mr. Huyghebaert:** — And now we've got \$1.4 million for 48 new vehicles. What's the disposal and the return of dollars of the 57 vehicles that the client, I would assume, does not need any more?

Because it seems like we've gone out and purchased 57 vehicles. Now all of a sudden the client, you've stated, wants 48 vehicles because it's better than the 57. So what are we doing with the 57 vehicles?

**Hon. Ms. Higgins:** — The 48 vans were on top of the 57 originally requested. So there would be 105 units that would go to that client.

Now when you talk about disposal, we don't know what old vehicles they would be turning over, using. That would be done in their own planning.

**Mr. Huyghebaert:** — No, Madam Minister. I'm talking about the 57 vehicles because the original tender of 450 vehicles . . . and you talked about planning and here we have a client that wants 57 new vehicles. That's part of the 450. That's all they requested.

Now here we are months later and all of a sudden this client wants 48 more vehicles. That's what you're telling me. And so that's why the \$1.4 million is extra. This client wants 48 more additional vehicles. So their planning wasn't very good if they had 57 in the original and now they want 105 total.

**Hon. Ms. Higgins:** — When these vehicles became available, because they were not available initially and they had put in the request for new units of the 57, when the 48 minivans became available that are suited to this client . . . They are no longer going to be produced. So they decided that this was a vehicle that they wanted to purchase. And being these 48 became available, they felt that it was appropriate to go ahead, to request that these be purchased to fit into their business. It will reduce the requirements for next year.

It was a purchase that became available. They again are suited to what their needs are. They are more fuel-efficient than using cargo vans, larger . . . They are smaller. A minivan that suits the needs of the client. When this opportunity became available, it was decided that they would include this in their request for vehicles for this year.

**Mr. Huyghebaert:** — Well I totally understand the fuel efficiency and the economy. It just seems like they're out by 40-some per cent in their estimation of vehicles required. I mean, using the analogy, if a more fuel-efficient comes up now, do they want another 45 vehicles that is more fuel efficient? They're coming out all the time with hybrids, and I guess that's where I'm going.

But I want to go now to the leasing process. In the Supplementary Estimates it says, costs will be covered through vehicle lease agreements. Who looks after the leasing process?

**Hon. Ms. Higgins:** — SPM acquires the vehicles, and we lease them back to the client. So we are responsible for the leasing.

**Mr. Huyghebaert:** — So what . . .

**Hon. Ms. Higgins:** — We have the responsibility for the leasing, the leases.

**Mr. Huyghebaert:** — There's staff at SPM that actually does the leasing, that sits and writes leases for the client. And the process I guess is what I'm getting at. Does your staff at Sask Property Management actually sit and write the leases to the client?

**Hon. Ms. Higgins:** — There are a couple different kinds of standard leases that are used through SPM. Yes, this area is looked after by Saskatchewan Property Management. It is one of the services that we provide to departments and agencies.

There are maintenance, there are non-maintenance leases that are used. So government departments may have maintenance included in their leases. Crown agencies or other agencies may have non-maintenance leases. But yes, these are done through SPM.

**Mr. Huyghebaert:** — So your staff at SPM sits and does the leasing arrangements with clients. How many staff would you have that handles nothing but leasing at SPM?

**Hon. Ms. Higgins:** — There isn't anyone that their sole responsibility would be writing leases. This is a process that is done through administration in CVA [Central Vehicle Agency], but there isn't anyone that is specifically tasked solely with writing leases. It's just one of the functions within the area.

**Mr. Huyghebaert:** — Can you tell us who the clients are?

**Hon. Ms. Higgins:** — Would be government departments, would be Crown corporations, could be Crown agencies, could be SIAST, could be any number of other agencies.

**Mr. Huyghebaert:** — Does SPM utilize any other leasing agencies for the lease of vehicles or equipment?

**Hon. Ms. Higgins:** — In the case of what we're here to discuss today, we are buying the vehicles outright. There has been instances in the past where leasing companies have been used, but not for this instant. We are buying the cars outright.

**Mr. Huyghebaert:** — I have a direct question and it does relate to this because it deals with leasing. Does Sask Property Management arrange leasing agreements with Cajon Leasing or R & R Leasing?

**Hon. Ms. Higgins:** — No. I believe those are the answers that we are compiling or the information that we're compiling in written questions. So while that's not complete yet, I would prefer to have that put forward once the written questions are all completed and put forward as has been proposed in the House. I don't have that information in front of me right now, so we're just in the midst of compiling that.

**Mr. Huyghebaert:** — Well as the minister knows, there's 180

days that it can take to answer those questions because they've been ordered in the House. And it has an impact even on supplementary estimates because where I was going with this, we have by your statement that we have staff at SPM that lease vehicles. And if we have the staff within SPM that lease vehicles then why would be utilizing — and that's why the question — utilizing other leasing agencies for vehicles if we already have staff within SPM to do it?

And that's why the question is important even to the supplementary estimates because you've stated already that the staff at SPM lease vehicles. So if the answer is yes, that you do have leasing agreements through Cajon and R & R Leasing to lease vehicles back to SPM, why? Why would we do that if you have staff in your own department that do it?

So there is a direct correlation between supplementary estimates and the question that I ask, and it's a direct correlation to the questions I ask in written questions. And if I don't get answers for 180 days, I don't think that's correct and fair, because there is an awful lot of follow-on questions to be asked about this.

**Hon. Ms. Higgins:** — The member will also know that the questions, the written questions that have been asked in the House, I think we are over, just over the second week. We are in about day 10 of sitting. And we are well over 600 written questions that have been asked, many that are, have multi parts to them. None of them are a flat out yes and no question. They are complicated.

You have asked for a huge amount of information going back a number of years. And the member will recognize that as representatives of the government and of the department, that we have a responsibility to be, make sure that we have all the information included that is requested in the written questions.

The 180 days that's allowed when a question is ordered, I don't know where the 180 days come from, but whoever established the rules felt that that was a fair amount of time to compile information to give a clear and concise answer back to the opposition when you've asked these questions. I'm not going to debate the rules of the House. That's the time that's allowed.

But when you expect questions to be answered and not ordered, it's very difficult when we have five days to do it by the rules of the House and the opposition has asked 600 questions in just 10 days of sitting — over 600 questions — and questions that are complicated, questions that require specific information, and questions that go back three, maybe four years in some cases.

So the member realizes we have an obligation to provide concise, clear answers to the opposition. And if it requires longer than five days, then the next option is to order the questions and it's 180 days.

**Mr. Huyghebaert:** — Well I do agree with the minister on we want questions answered in a concise and thorough manner but also in a timely manner. And it's not the forum to debate in but that's exactly why there is something like a half a million dollars added to the Premier's staff last fall, or last spring, specifically to answer questions. And the minister would also know that if we got more honest answers someplace in question period, etc., we wouldn't have to ask all of the written

questions. So it's a double-edged sword.

But we have had the questions asked, and the rules, and I don't even mind debating the rules, but the 180 days . . .

**The Chair:** — Excuse me, Mr. Huyghebaert. If you could direct your questions to the matter before us please.

**Mr. Huyghebaert:** — Mr. Chair, this is the matter before us because the matter before us is the supplementary estimates on Property Management.

**The Chair:** — Excuse me. We do not debate the Chair's ruling. If you could just direct your questions on the topic before us. Thank you.

**Mr. Huyghebaert:** — Thank you, Mr. Chair. Well the supplementary estimates that were in front of us have a direct connection to the leasing agreements of Sask Property Management. And we haven't got an answer to that question. And the question was, is there a relationship, and what's the relationship between Cajon and R & R Leasing, and does Sask Property Management have a leasing arrangement with them . . . which is directly related to the supplementary estimates.

**Hon. Ms. Higgins:** — Well I would beg to differ because this is a purchase of vehicles. We are requesting to have approval of \$1.4 million to purchase 48 minivans that was a direct request from a client, and they will in turn lease these vehicles from Saskatchewan Property Management.

We have standard agreements, lease agreements that we use with the Crowns, with Crown agencies, and with departments within the Government of Saskatchewan. That will be the process — that we will lease these to the client. It's not an outside leasing agreement. It is internal to SPM. We are purchasing these vehicles and leasing them to the client. We'll leave it at that.

**The Chair:** — I recognize Mr. Hart.

**Mr. Hart:** — Thank you, Mr. Chair. Minister, the supplementary estimates are \$1.4 million under the major capital asset acquisitions. Is any of this additional funding in any way related to acquiring any capital acquisitions? Are any costs associated with the Echo Valley Conference Centre? There's no link there at all?

**Hon. Ms. Higgins:** — The \$1.4 million is to purchase vehicles on request of a client. SPM will purchase those vehicles, and we in turn will lease them to the client that has use for them and has requested their purchase. It has no link whatsoever to Echo Valley Conference Centre.

**Mr. Hart:** — Minister, you had just had a conversation with my colleague here with regards to answering written questions, and you had said that you needed to get more information and provide some time for staff to provide the correct and accurate information with regards to my colleagues' written questions.

Are you prepared to answer any of the questions associated with the disposal of Echo Valley Conference Centre as far as deadlines for proposals, who submitted proposals, was the

deadline extended? Are you prepared to answer any of those questions here today?

**Hon. Ms. Higgins:** — Yes. We can answer the Echo Valley ones. Can I say . . . Now the difference here is the Echo Valley question is fairly current.

When you . . . previous member ask questions about leasing, about agreements — and they are going back a number of years — there's a fair bit of information that goes through a department. You will have records stored. We will have them filed away. So there is a lot of work that has to be done to go through old files to retrieve the appropriate information. It's not just kept handy in the filing cabinets because there is a great deal of information, and it has to be kept for a certain amount of time, which is appropriate.

But you also have to realize that with 600 questions — over 600 questions — asked in 10 sitting days, that it is pretty difficult to answer that many multiple questions, detailed questions, in that period of time.

**Mr. Hart:** — Certainly, Minister. There is some validity to what you have just said. Although I would have to say I can't totally agree with you. The questions that I asked only went back as far as May 31, 2005.

I believe you . . . And you'd indicated you have the officials with you here today. And I guess the question is and it's a question that we in the opposition had . . . I mean, some of the questions are pretty simple to answer, and we were wondering why we didn't get answers to the simple questions such as the ones that I asked.

And so what I'll ask you today here, was May 31, 2005, the deadline for receipt of proposals for disposal of the Echo Valley Conference Centre?

**Hon. Ms. Higgins:** — May 31 was the last day to receive proposals.

**Mr. Hart:** — How many proposals did you receive at that date?

**Hon. Ms. Higgins:** — Two proposals were received by May 31.

**Mr. Hart:** — And who were they from?

**Hon. Ms. Higgins:** — They were from the town of Fort Qu'Appelle and the resort village of Fort San.

**Mr. Hart:** — The town of Fort Qu'Appelle, when did you . . . What was the date that you received that proposal?

**Hon. Ms. Higgins:** — It was received by the date that it was required, by May 31, '05.

**Mr. Hart:** — It was received on that date?

**Hon. Ms. Higgins:** — No it was received before the deadline. I don't have the exact dates of when each proposal came forward. It was May 31.

**The Chair:** — Members, if I may just suggest that the questions, or the issue that we are dealing with is Property Management, about 13 major capital assets acquisition. But what I would simply mention that to all parties here and if we could keep our questions . . . Thank you.

**Mr. Hart:** — Mr. Chair, the minister agreed to answer these questions. And also, Mr. Chair, in the past when we are dealing with estimates of a department or a government agency, we have been given the leeway and the liberty to ask questions surrounding the entire operations of that department.

In this case I would have to ask why you would rule in such a fashion if the minister has already agreed and has the officials here to answer these simple questions.

**The Chair:** — Mr. Hart, my understanding of this is that in general estimates the questions can be wider ranging, but in supplementary estimates that we have to stick with the questions that are before us, or the issue that is before us, pardon me.

**Mr. Hart:** — Mr. Chair, I would ask, is it the House rules of this committee that we confine our questions to the supplementary estimates, or is that a unwritten decision that has been made somewhere within this building?

**The Chair:** — Two things. One, this is a practice of the committee. But the minister can, as you mentioned, answer your questions. But as I started out saying, I was just indicating to both parties that we were dealing with the issue before us . . . was so . . .

**Mr. Hart:** — Even though the minister has agreed to answer my question dealing on a matter that is not particularly related to his particular subvote, you're ruling then that it is improper to ask these questions.

**The Chair:** — I wasn't ruling. I just simply pointing out to the parties here that we were here to deal with this issue. If the minister would like to answer those questions, that is definitely up to her.

**Mr. Hart:** — The minister has already agreed to answer a few simple questions, so I take it then we can proceed. Is that correct?

**The Chair:** — This would be up to the minister.

**Mr. Hart:** — Okay. Good. So I guess, Minister, it's your call and you had already agreed to answer a few questions. So I guess we'll proceed.

**Hon. Ms. Higgins:** — Well I already answered a few. Is there more?

**Mr. Hart:** — There are more, yes. There are a few more. I believe you told me the town of Fort Qu'Appelle submitted a proposal on May 31. Is that correct? I will have to just regroup here a bit.

**Hon. Ms. Higgins:** — Yes. That was the deadline for the proposal.



**Mr. Hart:** — So when the mayor of Fort San hand-delivered their proposal on the afternoon of May 30 and asked if there were any other proposals received at that time, and the answer was no, and when he asked the SPMC [Saskatchewan Property Management Corporation] official that he delivered his proposal to that if you expected any more, you said no . . . he was told that you didn't expect any more. And the reason was given, or at least he was lead to believe, that your officials weren't in contact with anyone else who was looking at submitting a proposal where your officials were in . . . you know, had numerous discussions with the Fort San proposal in preparation of that proposal, they were guided by your officials.

And then all of a sudden on May 31, just out of the blue, another proposal arrives. Is that what you're telling me?

**Hon. Ms. Higgins:** — I'm not sure what discussions you are referring to. But I mean when the deadline is May 31, 2005, whatever proposals are received by that deadline, that's what we will go by. So I mean I . . .

**Mr. Hart:** — Okay. Okay.

**Hon. Ms. Higgins:** — You're asking me things that are conversations outside of that . . . I, you know, I can't either . . .

**Mr. Hart:** — So just to be clear, the deadline was May 31, 2005. It was not extended. And by the close of business on May 31, 2005, two proposals were received — one from the village of Fort San and one from the town of Fort Qu'Appelle.

**Hon. Ms. Higgins:** — Right.

**Mr. Hart:** — And those are the only two proposals that were received. Is that correct?

**Hon. Ms. Higgins:** — Yes.

**Mr. Hart:** — Okay. Good. Now when was the decision made to accept the town of Fort Qu'Appelle proposal?

**Hon. Ms. Higgins:** — According to the records that we have here, it would have been about the third week in August, around the 24th.

**Mr. Hart:** — That's close enough. If there's a few days or a week difference, for the purpose of these discussions really it doesn't matter.

The town of Fort Qu'Appelle, did they submit a proposal in partnership with a development group? I understand the village of Fort San submitted a proposal in partnership with San-Echo Developments. Was the town of Fort Qu'Appelle's proposal submitted with a development group somewhat similar in nature as to the way Fort San submitted theirs, or did they submit it entirely in their name?

**Hon. Ms. Higgins:** — To the member, both proposals had developers attached to them.

**Mr. Hart:** — Who were the developers that were partnered with the town of Fort Qu'Appelle?

**Hon. Ms. Higgins:** — Proposals are confidential until there is a final decision made and final agreements are in place. And I don't have that information on me right now. And it wouldn't be available at this time to . . . I mean for public information.

**Mr. Hart:** — Oh okay. Well I have a name. I understand that there was a group that called themselves Mitchell and Associates Properties Ltd. that arranged a meeting with officials from the town of Fort Qu'Appelle and the village of Fort San in May, where they talked about a proposal that . . . And the tone of the meeting was that this proposal had already been accepted. They were talking and asking for the village of Fort San's zoning bylaws. They were talking about signing a memorandum of understanding, and this meeting took place in May because one of the people at the meeting then emailed the mayor of Fort San on May 18, and I will quote from a part of that memo. It says:

As representatives of Mitchell and Associates Property Limited we appreciated the opportunity to meet with you and representatives of the Town of Fort Qu'Appelle. The potential for redevelopment of the Echo Valley Centre is certainly an exciting prospect. Our group wishes to work co-operatively with the regulatory and community organizations as we move forward.

And this memo is dated on Wednesday, May 18th.

**Mr. McCall:** — Point of order, Mr. Chair.

**The Chair:** — Yes, Mr. McCall.

**Mr. McCall:** — I guess if we are going to pursue this line of questioning, if perhaps Mr. Hart could be good enough to table the memo with the committee and share some copies.

**Mr. Hart:** — I only have one copy of the letter.

**Mr. McCall:** — I understand we have the technology to make copies available.

**Mr. Hart:** — Absolutely. I'd be more than happy to provide this committee with a copy of this memo. This memo was received from one Wilson Olive, and it was signed Wilson H. Olive, Q. C. [Queen's Counsel] at the bottom of the memo. Mr. Olive asked that Mr. Zimmerman, the mayor of the village of Fort San, to fax him some information, and he provided a fax number. And I checked the telephone book, and this is the law firm's fax number.

So from this memo it sounds to me as if it was already a done deal, and this was well before May 31. Now how do you explain this?

**Hon. Ms. Higgins:** — Well there was any number of meetings that were held by various groups that have an interest in the Echo Valley site. I can't speak to the tone of this meeting as you seem so aptly to be able to. I wasn't there. SPM was not there.

What we can speak to is that, yes, there was proposals that came forward. And I think there was . . . I mean I will say that there was many meetings that were had. And I think the hope, I

know on our behalf, was that the community could be involved in whatever happens at Echo Valley because the site is important to the community, to Fort San and also to Fort Qu'Appelle. Can't speak to this meeting specifically because we weren't there.

**Mr. Hart:** — You and your officials said that on May 31 you received a proposal from the town of Fort Qu'Appelle. Is it practice of SPM to date incoming mail, to stamp it with a date?

**Hon. Ms. Higgins:** — I would assume that's standard office procedure with anything.

**Mr. Hart:** — Would your official or would you commit to providing this committee with a copy of the cover page of the proposal with the date that's stamped on it, so that we can indeed verify that it was received by May 31?

**Hon. Ms. Higgins:** — I don't know what's on the cover page.

**Mr. Hart:** — Well or some document that . . .

**Hon. Ms. Higgins:** — I mean it's pretty difficult for me to sit here and to commit to giving you a page that I don't know what's on it.

**Mr. Hart:** — Your officials are sitting right beside you.

**Hon. Ms. Higgins:** — For you to question the date when it was put in, the member will know if you have anything to do with tenders, whether you have any types of proposals, quite often they aren't put in until the very last day when it closes. It's not unusual for a proposal to come forward on the last day.

**Mr. Hart:** — Minister, I'm fairly familiar with tender processes. I served a number of years on RM [rural municipality] council and we tendered for things like municipal graders, gravel work, road construction. So I'm quite familiar with the tender process. We at RM council, we would document the receipt of a tender proposal so that if ratepayers asked for some evidence as to when the proposal was received, then we were able to provide that to our ratepayers.

I'm asking, on behalf of the citizens of this province, some documented proof of when the last proposal was received.

**Hon. Ms. Higgins:** — Well what I will say to you is if the proposal was emailed, it would not have or may not have a cover page. It may not have come snail mail. It may have come in a different form.

If it is email, to give you the top of a piece of page that has a date on it, I would not think that would give you much comfort because there may be confidential information. Any proposals that are put forward are confidential. So it may be difficult to provide you with that information.

And I would ask the member, you are going to have to take my word for it, at this point in time, of the May 31.

**Mr. Hart:** — Well, Madam Minister, I have difficulty taking your word for it because there was a lot of speculation in the valley that the town of Fort Qu'Appelle's proposal, along with

Mitchell and Associates Properties Ltd., their proposal, the speculation was that it came very late. In fact, the speculation was that the deadline was extended considerably beyond the May 31 specifically to accommodate that proposal.

And, Madam Minister, there seems to be continued speculation and suspicion in the valley that this is seeming like a sweetheart deal to some folks that perhaps may or may not benefit. But in order . . . And I'm just reporting what I am hearing, Madam Minister, and I would suggest that in order to clear this up if you could provide as much factual documentation to . . .

**Mr. McCall:** — Point of order.

**The Chair:** — Point of order.

**Mr. McCall:** — Point of order, Mr. Chair. With all respect to the member pursuing this line of questioning — and I know the matter of the Fort San is near and dear to his, or the Echo Valley Centre is near and dear to his heart — but we have a specific agenda for this meeting. And it is to entertain the subvote of SPM.

Now certainly when an agenda is arrived at by the steering committee, the people that are called in front of the committee prepare for the specific items on the agenda. As is becoming abundantly clear, there is some fairly complex matters that are involved in pursuing this line of questioning that the minister has generously agreed to pursue.

But at this time I would suggest that it would be proper for this committee to return to its agreed upon agenda which is the consideration of the SPM subvote under the supplementary estimates.

**The Chair:** — Would the opposition like to comment on the point of order? Ms. Harpauer.

**Ms. Harpauer:** — Thank you, Mr. Chair. And if the member had been listening earlier, the Chair had raised concerns, and the decision was made by the Chair that the member could continue with his questioning as long as the minister was in agreement. And so I think this has already been ruled upon.

**The Chair:** — At this point in time we would allow the questions. But I would just caution the members and all that are here, perhaps you could begin directing some questions through the Chair, and then we could continue.

**Mr. McCall:** — Mr. Chair, if I could just register concern about that because as is becoming clearer, there is a fair amount of detail entailed in this discussion. And again the agenda is what the witnesses before this committee prepare for. And in terms of a few simple questions, that's fair enough. But increasingly the line of questioning is becoming more and more complicated. And if we, as members of this committee, want to do this question some justice, then I would suggest that the steering committee could look at bringing this forward as a matter for consideration for this committee at some future date.

But in terms of the agenda for this meeting, it's on the supplementary estimate for SPM, Mr. Chair.

**The Chair:** — Would the opposition like to comment further? Any further comments?

**Ms. Harpauer:** — I just wanted to make the comment that the member was asking for information because he recognized that the minister didn't have that in front of her and he was asking if she could provide information. So that is exactly what the member opposite just said, that she wouldn't have the information. So our member's asking that it be provided.

**The Chair:** — I think at this time I'm going to say that the member's . . . Mr. McCall's point of order is well taken. I too must say that we are here to deal with a specific agenda item. The questions are becoming more detailed and perhaps if we have questions more on the topic we could continue and the minister could determine to answer the questions at a later time. So I would ask the members to perhaps put their questions surrounding what is before us.

Mr. Hart.

**Mr. Hart:** — Thank you, Mr. Chair. If the minister feels that she's . . . and her officials are not prepared to answer the questions in that they don't have the information at their disposal at this time, then I would like to note for the record that it wasn't the minister that was objecting to my line of questioning. It was another member of the committee — a government representative.

But if the minister and her officials don't feel comfortable in discussing this issue, this is an issue that is relevant. It is, I think, a certain amount of urgency to discuss this issue. I would be fully prepared to wait until next week when the committee meets again if the minister and her officials would be prepared to fully discuss this issue at that time, and if the committee is prepared to put it on its agenda for the next sitting, which would be next week.

**Hon. Ms. Higgins:** — Mr. Chair, one thing I will say to the members and make very clear . . .

**The Chair:** — Members, it is up to the steering committee to decide the agenda, so at this time I think what I would have to say is that we are here to deal with these topics. And I think the questions should be related to what is before us.

**Mr. Hart:** — I'm sorry, Mr. Chair. I didn't hear your initial comments as to who should decide the agenda.

**The Chair:** — The steering committee, which is comprised of the Chair and the Deputy Chair, who have determined what we are doing here. Mr. McCall.

**Mr. McCall:** — I make a motion at this time:

That it be left to the steering committee to consider this matter, hence to consider the matter of the agenda for next week's meeting and future meetings of the Standing Committee on Crowns and government-wide agencies as is the practice and on which the opposition is well represented by Mr. D'Autremont.

**The Chair:** — Mr. McCall, the committee has already has a

motion to that effect, and that has been decided. And I guess that is why we are interjecting at this point in time to do that. So I would think we would all be best served if we continued with that agreement.

**Mr. Hart:** — Mr. Chair, just to be clear now, the committee, the steering committee will decide whether this issue or whether SPMC in the matter of the disposal of the Echo Valley Conference Centre will be on the agenda for next week, or will it not be? I'm just not quite clear on what the process is here.

**The Chair:** — What I would say to the committee members if I could read the motion:

That the steering committee be appointed to establish an agenda and priority of business for the subsequent meetings, and that the membership would be comprised of . . .

And of course that was Mr. Addley at that time and Mr. D'Autremont and the business had been agreed to as to what was to be done. It is then up to that committee to then determine future meetings and agenda. Yes. I'm sorry. Ms. Harpauer.

**Ms. Harpauer:** — May I suggest then in agreement with Mr. McCall that this particular topic be referred back to the steering committee to decide if that falls within the parameters of what they had previously decided was allowable.

**The Chair:** — Could you be more specific on which topic. Were you talking about the Echo Valley or the . . .

**Ms. Harpauer:** — There obviously seems to be some confusion whether this particular subject falls within the parameters of what was considered, or what was agreed upon by the steering committee to be the parameters of this committee. So can we refer this to the steering committee once again to discuss whether it's permissible or not?

**The Chair:** — Could the member put forward her motion.

**Ms. Harpauer:** — I move:

That the steering committee for the Crown and Central Agencies Committee review the parameters of what is permissible for questioning under the supplementary estimates for Property Management.

**The Chair:** — I have a motion moved by Ms. Harpauer:

That the steering committee for the Crown and Central Agencies Committee review the parameters of what is permissible for questioning under the supplementary estimates for Property Management.

Is the committee ready for the question? All those agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — All those opposed? Carried. Ms. Harpauer.

**Ms. Harpauer:** — May I suggest that they review that tomorrow and then we return to what they decide next week.

**The Chair:** — Yes they will.

**Ms. Harpauer:** — Okay. Further then, I move:

That this committee adjourn its consideration of the supplementary estimates for Property Management.

**The Chair:** — It's moved by Ms. Harpauer:

That this committee adjourn its consideration of supplementary estimates for Property Management.

Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Given that there's no other items, I would entertain an adjournment motion.

**Mr. McCall:** — So moved.

**The Chair:** — Mr. McCall, adjourned. This committee now stands adjourned.

[The committee adjourned at 17:32.]