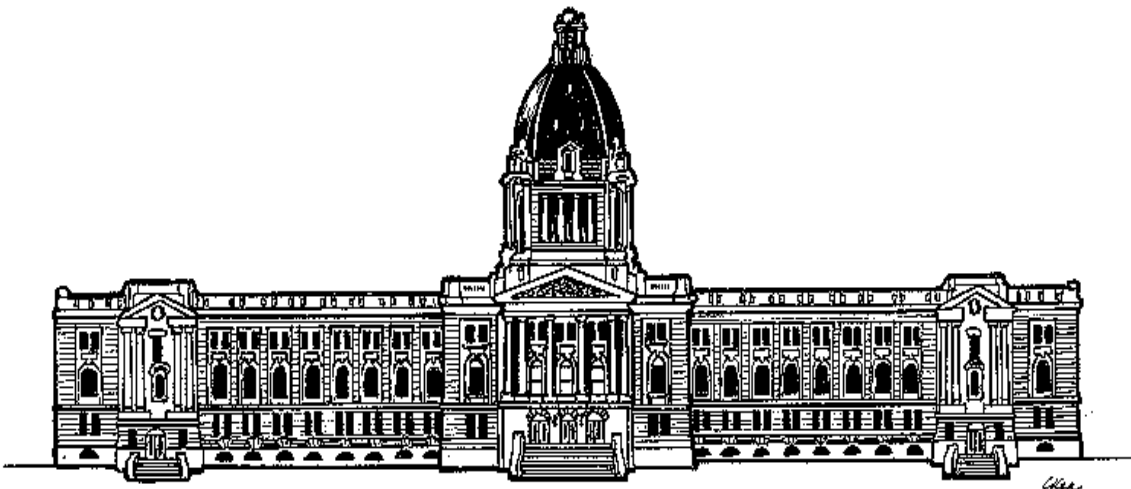




STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

Hansard Verbatim Report

No. 17 – April 21, 2009



Legislative Assembly of Saskatchewan

Twenty-sixth Legislature

STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

Mr. Dustin Duncan, Chair
Weyburn-Big Muddy

Mr. Kim Trew, Deputy Chair
Regina Coronation Park

Hon. Nancy Heppner
Martensville

Mr. Tim McMillan
Lloydminster

Mr. Jim Reiter
Rosetown-Elrose

Mr. Randy Weekes
Biggar

Mr. Kevin Yates
Regina Dewdney

[The committee met at 15:00.]

The Chair: — Good afternoon, committee members. Before we move to our item on the agenda, I will note that we have annual reports being tabled with the committee. These are the annual reports for SaskEnergy, SaskTel, and Saskatchewan Gaming Corporation.

**General Revenue Fund
Public Service Commission
Vote 33**

Subvote (PS01)

The Chair: — This afternoon we are dealing with vote 33, the Public Service Commission. This is found on page 125 of the Estimates book. And I want to welcome Minister Elhard and his officials to the committee this afternoon. And if the minister could first introduce his officials and then if he has any opening statement, he could make it at this time. Minister Elhard.

Hon. Mr. Elhard: — Thank you, Mr. Chairman, and good afternoon. I'd like to thank the committee for this opportunity to discuss the budget estimates for the upcoming year. And as requested, in order, I'd like to introduce my officials here today.

To my immediate right is Clare Isman, the Chair of the Public Service Commission. To my far right is Rick McKillop, the assistant Chair. To my immediate left is Karen Aulie, assistant Chair. Behind us are Raman Visvanathan, executive director, employee service centre. We have Mike Pestill with us as well, director of corporate services. I'm not sure if this might be Mike's first time with us, but we just had an opportunity to meet a few moments ago.

And also visiting with us today as part of the team is Mark Anderson who is in the bleachers. And he's an intern with the Public Service Commission; he's never seen these proceedings first-hand, and we've invited him to attend as well.

Before we entertain questions, Mr. Chair, I'd like to provide some information on the work of the Public Service Commission and how it aligns with our government's plan for securing the future.

The Government of Saskatchewan is committed to its vision of a secure and prosperous Saskatchewan, leading the country in economic and population growth while providing an opportunity for a high quality of life. A high-performing and innovative, professional public service is critical to this success, advancing the social, economic, and environmental well-being of our province and its citizens.

The Public Service Commission works with ministries to ensure Saskatchewan has an effective public service that can provide excellent policies, programs, and services to the government and to the people of Saskatchewan.

Now before I discuss the current strategies that PSC [Public Service Commission] is targeting, I'd like to highlight some of the accomplishments from the past calendar year. The PSC continued to build leadership capacity and the professionalism

of the public service through projects such as the leadership development program for middle managers, the supervisory development program for employees who supervise staff across government, and through the professional development opportunities available through the Johnson-Shoyama graduate school of public policy for policy staff and for executive management.

The PSC has also implemented an orientation program for new employees across the public service. The orientation program for senior leaders and managers is also continuing. A career management website has been launched for all public service employees. And a new leadership and management competency model has been developed and integrated into leadership programs and processes.

The PSC has been active in other areas as well. This past year was the first year for the new model of consolidated human resource service delivery to ministries through human resource service teams. These teams now provide a full spectrum of services, programs, and support to the various ministries. It was also a year for further development towards the centralized employee service centre for human resource administration and payroll. And I'll touch further on this project shortly.

Some of the priorities in the year ahead include the Public Service Commission plan for 2009-10 which outlines six key strategies. The first is to attract and retain a professional, highly skilled, and diverse public service workforce. The PSC will continue to work to increase awareness of careers in the public service through programs such as career ambassadors, employee networks, linkages with First Nations and Métis organizations, and the Masters of Public Administration internship program.

The PSC will also continue to promote careers through career fairs and its highly successful online career centre. And on that note, Mr. Chair, I am pleased to say that the career centre had more than 1 million visits this past fiscal year. That's a target, I suppose, that we didn't ever expect to achieve, and yet we achieved it quite handily this year and are very pleased to have been able to set that record.

The second strategy is to create a work environment that supports employee engagement. To this end the PSC will continue working to build a values-based culture in the public service and will also implement a new training initiative for employees regarding the prevention and resolution of harassment.

The third strategy is to build effective public service leadership and management. In this area, the PSC will continue its excellent work on training and development which I touched on a little earlier.

The fourth strategy is to ensure a fair and balanced labour relations environment that respects the rights of public service employees and the needs of the public service. The primary focus under this strategy will be to negotiate the renewal of collective bargaining agreements with SGEU [Saskatchewan Government and General Employees' Union] and CUPE [Canadian Union of Public Employees]. Both current

agreements expire September 30 of this year.

The fifth strategy is to deliver effective and efficient human resource services. A key activity here will be the implementation of the employee service centre which will gain efficiencies in the provision of human resource administration and payroll services. Ongoing process improvements across the HR [human resources] service teams also continue to be a priority.

The sixth and final strategy is to establish and maintain accountable human resource processes and practices. Under this, the PSC will ensure compliance with *The Public Service Act* and *The Public Service Regulations*.

The PSC's operating budget for 2009-10 is \$38.1 million, an increase of 1.5 million or 4 per cent over 2008-09. Overall the budget supports the commission's operations and maintains the services it delivers. This includes inflationary increases for salaries and operating expenses.

As well the budget invests in several key initiatives — \$2.6 million to continue the implementation of the employee service centre project, \$2.6 million in additional one-time capital funding to complete leasehold improvements and provide equipment for the employee service centre, \$1.1 million for the continuation of payroll term resources until a transition to the ESC [employee service centre] is complete, \$250,000 to the Johnson-Shoyama graduate school of public policy to assist in the development of a professional public service, and \$200,000 to investigate the development of a public service employee portal.

Employee portals are becoming very common in organizations and are used for a wide variety of functionality. This funding will provide the PSC an opportunity to see how the public service might utilize an employee portal within the Government of Saskatchewan and what would be required to move such an initiative forward.

In conclusion, Mr. Chair, we look forward to the coming year and are confident that we will continue to meet the opportunities and challenges facing the public service in this great province. I would now be pleased, along with my officials, to answer questions that the committee may have. Thank you.

The Chair: — Thank you, Minister. Again we're dealing with Public Service Commission, vote 33, central management services (PS01). Ms. Atkinson.

Ms. Atkinson: — Welcome to the minister and his officials. Mr. Minister, as I understand it, within the public service there is the unionized public service and then the classified service. Do we still have a classified service in the province of Saskatchewan for out-of-scope employees?

Hon. Mr. Elhard: — I just wanted to be sure that I was on solid ground. Yes, we still have a classified section of the public service. The Act hasn't changed in any respect.

Ms. Atkinson: — Have there been any positions that have been taken out of the classified service?

Hon. Mr. Elhard: — Mr. Chair, to the member, I wanted a little more detail than I had at the tip of my fingers, and that's why the delay I've just put the committee through.

There is provision within the legislation to move positions back and forth as required to meet the needs of government organization. And as part of the annual report, the Public Service Commission is required to report positions that have been transferred or excluded. The most recent information I have of course is for the period ending March 31, 2008. The report substance for subsequent time frame will be reported in the next annual report. There were a total of 49 positions either transferred or excluded as part of the process.

Ms. Atkinson: — Thank you. The 49 positions represented how many people?

Hon. Mr. Elhard: — It looks to me like it's 49 people.

Ms. Atkinson: — Forty-nine people represented how many positions?

Hon. Mr. Elhard: — Forty-nine positions.

Ms. Atkinson: — Now are we talking about, in the class plan, there are various classes, so are we talking about assistant deputy ministers? Are we talking about executive directors? Are we talking about communications staff? What type of positions are we talking about?

Hon. Mr. Elhard: — I would say we are talking about all of the ones that you have mentioned and maybe a few others as well.

Ms. Atkinson: — How many assistant deputy ministers do we have in the public service of Saskatchewan? And are they part of a classified service?

Hon. Mr. Elhard: — Did I hear you say assistant deputy ministers?

Ms. Atkinson: — Assistant deputy ministers or associate deputy ministers, and are they part of the classified service?

Hon. Mr. Elhard: — To the member, Mr. Chair, the answer is tough to provide because we don't have the full organizational charts with us here today. But the assistant deputy ministers are in the classified section, and associate deputy ministers are in the unclassified section.

Ms. Atkinson: — Thank you very much. Can you get that information before we leave this? I think we have from now till 5 o'clock. Would it be possible for your officials to advise us how many associate deputy ministers we have and how many assistant deputy ministers we have?

Hon. Mr. Elhard: — I will undertake to find that information as quickly as possible.

Ms. Atkinson: — Have there been any assistant deputy ministers that have been appointed that were appointed outside of the classified public service?

[15:15]

Ms. Atkinson: — Have there been any assistant deputy ministers that have been appointed that were appointed outside of the classified public service?

Hon. Mr. Elhard: — Mr. Chair, to the member, we're struggling with the answer a little bit here because we're going by memory on some of this. It's our understanding and going by memory, that everybody who has assumed a position as an assistant deputy minister is in the classified service. And the substance of your question maybe I'm not addressing, but could you repeat it for us?

Ms. Atkinson: — Has there been an appointment made to an assistant deputy minister's position where the appointment was made outside of the normal process that government has had — as I understand it, for some time — in choosing and appointing assistant deputy ministers. They're not political appointments; they're people who come through the public service. So my question is, has there been anyone who has been appointed assistant deputy minister that was outside of that process?

Hon. Mr. Elhard: — I'm assured that the answer is no.

Ms. Atkinson: — So in the Ministry of Social Services, has there been anyone appointed as an assistant deputy minister that was appointed outside of the classified service?

Hon. Mr. Elhard: — Mr. Chair, because of the fact that I'm not versed well in the issues surrounding the Social Services Ministry, I'm going to ask the Chair of the public service to respond to this question. Ms. Clare Isman will handle the details.

Ms. Isman: — Thank you, Mr. Chair. Yes to the question. There is an appointment within the Ministry of Social Services of an acting assistant deputy minister. That has been done by order in council for an acting appointment which would be outside the classified service.

Ms. Atkinson: — Thank you. And how long can a person be an acting assistant deputy minister? Could it be for four years? Five years? Ten years?

Ms. Isman: — There's nothing in the legislation that specifies the term of an acting appointment. So I think theoretically it could be indefinitely or to meet the needs of the organization.

Ms. Atkinson: — Mr. Chair, thank you. As I recall, there was an ad for this particular position, if I recall. Can the Public Service Commission explain how, what the process is for, when an ADM or an assistant deputy minister position is posted, what sort of process does the public service — because this is in the classified service — go through in order to make these appointments?

Ms. Isman: — Mr. Chair, to the best of my knowledge, there wasn't an ad with regard to this specific recruitment.

But just to talk generally about the process, when there is a vacant position within the classified division and a ministry is looking to staff it, then they advise the Public Service

Commission. We go through a consultative process with the ministry to outline and assess what the required qualifications are for the job, and those are deemed by the Public Service Commission, under our legislation.

We'll go through a recruitment process. Advertising or not advertising, it's not specific. It's the right recruitment process in order to enable us to secure an individual for the position. Most often they are advertised. We go through an assessment and a screening process to ensure that we are assessing the person to be deemed qualified. And then the appointment is made by the Public Service Commission into the vacant position.

Ms. Atkinson: — Mr. Chair, in terms of the best of the recollection of people from the Public Service Commission, how often do we have acting assistant deputy ministers? And if there are acting assistant deputy ministers, what is the longest period of time that someone has acted as an assistant deputy minister? Do we have that information?

Ms. Isman: — Mr. Chair, the collective corporate knowledge that's here is . . . Actually acting appointments for assistant deputy ministers is probably quite regular. And the examples that we're specifically thinking of is often if there is a deputy minister appointed, for example, or an acting deputy minister, then someone else is required to step in to fill in behind. So we've got examples most recently of people in acting positions for upwards of 12 months and longer, and that hasn't been seen to be unusual in the system.

Ms. Atkinson: — Through the Chair to the minister: do acting assistant deputy ministers, are they normally people who are already in the classified public service? There may be someone who has to step out of the workplace for various reasons, or they move on to another position. But are most acting deputy ministers someone who have a history in the public service?

Ms. Isman: — Mr. Chair, once again I think that the practice is probably somewhat mixed, although more probable that they're from inside the organization.

Ms. Atkinson: — That is my point, Mr. Chair. Usually people who are acting act for a long length of time, and they have some experience in the public service. But do we have any indication that this acting assistant deputy minister's job is soon going to be posted?

Ms. Isman: — We don't have any information from the ministry at this point.

Ms. Atkinson: — Do we know how long that this person has been acting in this capacity? When did that acting begin?

Ms. Isman: — The information we've got with regard to the order in councils, this one specifies February 12, 2009.

Ms. Atkinson: — And is there an end date to that order in council . . . [inaudible interjection] . . . So it's indefinite . . . [inaudible interjection] . . . Thank you. Have there been any other — what I would consider or could be considered — unusual approaches to filling positions in the classified public service?

Ms. Isman: — Mr. Chair, and the specific example that we were talking about, just for clarification, is in the unclassified division, not in the classified division of the public service. And to the best of our knowledge, no, in the classified division, there aren't any other what you would consider to be unusual appointments.

Ms. Atkinson: — Oh so this is an associate deputy minister. This is an acting associate deputy minister.

Ms. Isman: — The order in council specifies it's an assistant deputy minister, which is a title question, but appointed in the unclassified division.

Ms. Atkinson: — But I understood, through the Chair, that assistant deputy ministers, the positions were in the classified service. I have a concern here, Mr. Chair, that we are moving away from a professional public service, which is what the minister referred to earlier, and we have appointments that are taking place because normally assistant deputy ministers are in the classified service. So does that mean that certain people, depending on how the government of the day feels, certain positions — not the class, but the position — can be plucked out of the classified service? A political appointment can be made. Let's give an example. And then depending on, later, this position which is part of the classified public service which has been made unclassified could be moved back into the classified service. Is that my understanding?

Hon. Mr. Elhard: — Mr. Chair, in response to the question, I think we're in a place and a point here where we might be splitting hairs a bit. The Act is pretty definitive on this topic, and it says that any position — any, whether it's at the ADM level or the associate level or other levels — can be moved within or outside of the classified public service.

And just because somebody's appointed by OC [order in council] and just because a position is moved from the classified to the non-classified public service doesn't necessarily require that to be a political appointment in the worst sense. I suppose it is a political appointment because governments are making those appointments. But to suggest that there is a political agenda associated with that type of appointment, simply because it's been moved out of the classified service, would be unfair. For instance, as some of the number of the 49 people that we talked about earlier, 15 of those 49 are Crown counsels. And they are appointed by order in council. So, you know, those wouldn't be deemed political appointees, I don't think. It would be dangerous to do so outside of the fact that they are in fact appointed by executive government.

And so you know, I can imagine a circumstance where you might want to move a position outside of the classified public service because you can't find the one skill set you need to achieve a certain objective at the ministry level that needs achieving. And the individual who might provide that skill set isn't available to go into the classified service. I mean, certainly if you've had any experience in large organizations, you just can't always find the exact skill set you need in every given organization. You sometimes have to go outside your organization to find that skill set.

Ms. Atkinson: — Is the minister arguing that in the case of the acting assistant deputy minister for the Ministry of Social Services that there was such a lack of skill sets in our province that the government had to appoint this person outside of what I consider to be the normal process for ADMs or assistant deputy ministers? Surely the minister is not saying that.

Hon. Mr. Elhard: — I'm not making that argument at all. I'm making it in a generic and general sense that sometimes governments, like any other large organization, needs the flexibility to find the skill sets it needs for a certain issue, to address a certain issue, to do a variety of tasks that may be unusual or foreign to people already in the public service. And if the need exists to achieve that objective, and the Act provides for the opportunity to move a position from inside to outside and/or back again, if and when it's required, I think governments have to have that flexibility.

And you know, I'd be loath to suggest that the movement of one position to achieve some flexibility on the part of the government is an indication of a wholesale disregard for the process of the development of a public service, a professional public service.

[15:30]

Ms. Atkinson: — Thank you, Minister. I think that it's fair to say that there were a lot of people that worked very, very hard to move to a professional, high-performing — which is part of your strategy — public service and try to minimize as much as possible orders in council so that we truly did have a professional public service.

We have one example here, and I think it's a very disturbing example of someone who has been appointed outside of what is the normal practice for assistant deputy ministers. I mean I can't recall for some time now assistant deputy ministers being outside of the classified service, where there was the process that Ms. Isman referred to earlier. And so as the watchdog — the public watchdog, which is what we are, the opposition — I think it's incumbent upon us to bring this to your attention because one of the things that you referred to at the very end of your opening statements to us is to have accountable human resource practices.

Now this is a situation where a contract of employment was entered into by the Minister of Social Services to hire someone on a contract, and then that contract was moved over to an acting assistant deputy minister position. And that is highly unusual, given that when you're talking about an acting deputy minister in charge of child and family services, usually you should come with some qualifications for the position.

And so I'm just wondering, given that, you know, I certainly trust your integrity, but given that you want a high performing and professional public service with accountable human resource practices, it's my view, Minister, that this is not an accountable human resource practice because assistant deputy ministers have usually gone, as far as I can recall — not DMs [deputy ministers] that were appointed by orders in council, not Crown counsel that have historically been appointed by order in council — but assistant deputy ministers have been part of the classified service so we could get to a professional public

service.

And I guess what I'm wanting to know this afternoon before I end this line of questioning, are you, Minister, prepared to ensure, part of being the minister of the Public Service Commission is ensuring that we do indeed have accountable human resource practices where there is no interference on this file. And alarm bells are raised when governments start to move people out of the classified public service.

Hon. Mr. Elhard: — Mr. Chair, I understand, sort of, the level of concern that this type of activity might engender if it was being done with some regularity and was being done in a fairly cavalier manner. But I don't think that one position . . .

And the problem I've got right now in discussing this in any detail is that I'm not personally familiar with the individual or the position specifically that we're speaking about or the qualifications the individual brought or the expectations of the minister and/or our government for that particular position and individual. So it's tough for me to talk in any detail specifically to the question.

But I think the member made our point when she used the language saying that usually we have taken this practice. And I would say that, by and large, usually we will as well in filling these types of positions.

But I don't think that — given the language of the Act that allows for the movement of any position outside of the classified public service, given the fact that there are changing demands and requirements within the public service, that there are new and unexpected challenges and needs across the piece — I don't think that a professional public service will be well-served going forward by total inflexibility or unalterable language. I think we can address the requirement for a fully professional public service without handcuffing our government or any subsequent government just like any other organization, handcuffing them so tight that there's no wiggle room on some of these issues.

You know, I used to be a headhunter. I looked for professional people for companies, and when companies came to me and said we need a person with these skill sets, that's what I went looking for. I didn't say, well you know what, the best person for you would be the person who's had 25 years experience in an organization just like yours.

And I think that moving forward our public service is going to be more professional and develop a broader range of skills by being introduced to the capabilities of some individuals — periodically and infrequently — but some individuals who are brought in outside of what appears to be the usual set of circumstances.

So having said that, I'm not unsympathetic to the member's concerns about the history and the normal course of doing things in the promotion and development of our public service, but I don't think that any organization would be well served by being entirely handcuffed in that regard.

Ms. Atkinson: — Minister, this is not an appointment where it was difficult to find people with the skill sets. This particular

acting appointment, which was made by order in council, is unusual for this particular ministry, and as a result there are a number of people, particularly in the public service, that are questioning how this happened. And by the way, these are people who are questioning this, are people who have been a part of the professional public service and have gotten their jobs through the normal process. They question the skill sets, and they question the process.

And so part of our job, I think, on this side of the House, is to watch for not people being appointed because you couldn't find someone and you had to pay them more. It's not about Crown attorneys. It's not about maybe the odd engineer. It's about someone who is in charge, is located in Saskatoon as an assistant deputy minister in charge of child and family services. And there are people in the province that have the skill sets, and people are questioning the qualifications obviously — the skill sets, and how this happened.

And I guess I bring it to your attention because you are the minister responsible. And while you can refer to the Act and say there are exemptions, I think the exemptions are about — as you referred to earlier — you might need someone and you can't find them. You need to pay them more, that sort of thing, but in this case I don't think you can argue that.

And so I just want to alert you and your officials that people are watching what's happening in the public service very carefully because they want a professional public service, particularly when there were some very long-time deputy ministers that moved themselves up through the ranks that lost their positions.

Anyway I'll leave it at that. And my colleague who is the critic has more question. But I thought as a Saskatoon member I should bring this to your attention because it is something that has been brought to my attention in my office in Saskatoon, but also in my office in Regina. Thank you.

Hon. Mr. Elhard: — Mr. Chair, I would like to just briefly respond. I think it's entirely within the right of the opposition to raise these kinds of questions. I wouldn't second-guess that at all. And I think the fact that they are raising them are an important part of the political process that helps us achieve a distinction between the professional public service and the political process. So there's no hesitation on my part to accept the line of questioning. Unfortunately I don't feel that I can address the specifics of the case, being unfamiliar with the position and the individual in this particular instance.

But I stand by the comments that I made earlier. The evidence of a professional public service will be seen on a day-to-day basis in the way our employees, on behalf of the people of Saskatchewan, respond to their needs. And I can say right now that there are some bumps in the road, and there have been, but this government and this Public Service Commission are working diligently to create the right kind of environment.

We're talking to employees all the time about what it is we can do to make our place of employment a preferred place of employment. And we are talking to them about how they might improve their skill sets, how they might take advantage of additional training opportunities, how they can contribute in a greater way from an innovative and thoughtful perspective. We

are excited about the opportunities that our public service can bring to the service of the people of Saskatchewan. And we as a government are prepared to support those initiatives and are moving forward in that regard.

I would have to say that, in spite of some of the fearmongering I heard from the official opposition on the topic of public servants, by and large the response from the public servants that I have met — and I've gone into my ministry and met hundreds of them — the response that I've got from public servants has been very positive. And, you know, sometimes the only thing you have to fear is the fearmongering that's going on.

And we're going to work hand in glove with our employees to make sure that this public service not only has a solid reputation, I challenge them by saying let's make sure that we become the best public service in the nation. We had a history of that. We had a reputation as being the public service that was second to none in the entire nation. We want to have that reputation again, and we'll work with the public service to achieve that.

The Chair: — Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. Well, Mr. Chair, to the minister: this province has experienced, and had for a long time, the best public service in this country. And at this point what the member was asking, the official opposition was inquiring about, was whether or not this government intended to continue to maintain it. At no time did we question at all the integrity of the employees who work in the public service or what their intent is in their delivery of service to the people of Saskatchewan.

But, Mr. Minister, we have a very serious situation here, and we are very concerned that the professionalism of the civil service is being downgraded by your government going outside the normal staffing processes, moving an ADM position outside the classified service, and filling it through an order in council.

So in the light of the last answer, I now have probably about two hours more worth of questioning on this issue. I'm going to start with this: did the Public Service Commission undertake an assessment process, as they would in a normal staffing process, to determine this individual was the best qualified person for the job?

Hon. Mr. Elhard: — The short answer to the member's question is no; the normal process was not undertaken to fulfill this particular position. This was a position that was deemed necessary to be filled outside of the normal classified public service procedures. It was undertaken by an order in council. It was a position that was created specifically, and the appointment followed the normal OC process.

[15:45]

Mr. Yates: — Okay, thank you very much. So there was no former assistant deputy minister in the department in charge of child and family services?

Hon. Mr. Elhard: — Mr. Chair, I don't know enough of the history of that particular position, so I'll ask the Chair, Clare

Isman, to respond to the member.

Ms. Isman: — Mr. Chair, to the best of my knowledge within the ministry, it was an area of responsibility that fell under one assistant deputy minister within the ministry. Because of a desire to focus on it, they split out part of the role. And so now the role was split into two different assistant deputy ministers — one handling the child protection and the other retaining the rest of the portfolio. And I don't know the specifics of the rest of the large portfolio.

Mr. Yates: — Thank you very much. So there was a previous assistant deputy minister doing the work though, that this assistant deputy minister is undertaking?

Ms. Isman: — That and other things within a broader portfolio, yes.

Mr. Yates: — Thank you very much. My next question has to do with the original contract signed by the department on October 20. Did the Public Service Commission see and approve of this contract of employment prior to it being entered into?

Ms. Isman: — We basically reviewed the contract for the legal obligations in terms of assessing employer-employee relationship, the nature of a personal services contract versus another contract. We worked with the Ministry of Justice with regard to it, but it was solely based on that kind of consultation and advice to the ministry. The determination of entering into a contract like that falls outside our jurisdiction, and it's up to the ministry to make that determination.

Mr. Yates: — Thank you very much. At any time did the Public Service Commission review the qualifications and credentials of the individual and do any form of assessment as to whether or not the individual was qualified to perform the duties or the perhaps best qualified person to do the duties?

Ms. Isman: — Mr. Chair, no we did not.

Mr. Yates: — Would normally the Public Service Commission review the qualifications and credentials of an individual applying for an assistant deputy minister position?

Ms. Isman: — Yes, if the appointment was being done in the classified division, but that wouldn't be the process for appointments in the unclassified division.

Mr. Yates: — Thank you very much. Is there any process then in the unclassified division that's undergone in any manner which is reviewed by an independent group to assess the qualifications, skills, and suitability of the individual appointed into a position such as we're talking about today?

Hon. Mr. Elhard: — Mr. Chair, I think the answer to the member's question is pretty clear and direct. Appointments to the unclassified — or the positions outside of the classified public service — are done at the will of the government, of Executive Council. And there are instances where Exec Council will invite the Public Service Commission in to evaluate candidates, to help design or identify positions, to create a job description.

There are times when government will seek other sources of information. They might hire a headhunter, for instance. They might hire somebody who's got personnel experience that isn't directly related to the Public Service Commission. That is up to and clearly the purview of Exec Council, and that is the prerogative that this government used just as, I am sure, every government previously has used.

The result has been pretty good. We've got some of the finest people working for this administration that we could hope for. And I think that if you look over the breadth of the appointments made by order in council through Executive Council, the quality of the people, some of the people, the majority of the people have significant public service credentials and history. They've got an excellent track record. Some of them are new to the portfolio, and they bring a whole different skill set and experience to the position that allows them to do an excellent job on behalf of this government and the people of the province. So the processes and the undertakings by the government when we arrived on the scene were nothing unusual. They were in keeping with past practice.

Mr. Yates: — Thank you very much. Mr. Minister, we have established that this position was previously and normally within the classified service of the public service. We've established that the Public Service Commission had no role in reviewing or assessing this individual as to their suitability for appointment, and we have established that this position was hired without the review of the Public Service Commission or signed off by the Public Service Commission. So is it not fair to say that this was simply a political appointment into a normally classified service position in the classified service?

Hon. Mr. Elhard: — I don't think it's fair to say that at all. It's an assumption you can draw and it's apparently the direction you want to go on this particular position, but I can't make that assumption. As I said earlier, I don't know the individual. I'm not even sure the specifics of the position that this person filled. I know that there was nothing done here that was unusual. The previous member who asked questions used as part of her own language "we usually do this." This is the usual process.

Well yes, it's usual, but it's not completely unheard of or illegal or outside of the experience of executive governments, both this one and previous governments, to sometimes do things a little differently. And to jump to the conclusion that it was an automatic political appointment which, given the tenor of the question, would assume the worst language when you talk about political appointments, I'm not prepared to make that assumption. And in fact I think it's unfair on the part of many people who work for government that aren't inside the classified public service to just lay that out there, that if you got your appointment by order in council and if there's something just a little bit unusual about it, it is a heinous political appointment.

Mr. Yates: — Thank you, Mr. Minister. Then, Mr. Minister, are you prepared to provide for the committee a copy of the individual's qualifications and resumé for review by the committee?

Hon. Mr. Elhard: — Well, Mr. Chair, this is a question that I think is a little distasteful, frankly. You know under ordinary

circumstances nobody would be expected to lay their personal work record, their qualifications, their credentials on the public record because they are protected by personnel-related issues. Freedom of information and protection of privacy does take some serious root on this particular topic.

And so you know, I'm a little hesitant to just jump up and say, absolutely we'll lay this person's work history and career history bare for the public record. I would want to take that question under advisement before we make any further commitment.

Mr. Yates: — Thank you very much. Would you be prepared to have the Public Service Commission, using its appropriate staffing processes, do an assessment of this individual's qualifications and credentials to see whether or not they fit the qualifications for the job they are performing?

Hon. Mr. Elhard: — You know, this seems to me to be a bit of a witch hunt, frankly. You know, I get the clear impression from this line of questioning that there's something about this one individual that the opposition doesn't like. It probably has something to do with his political leanings or his past record or his history — I don't know. But this line of questioning would never be pursued if we were talking about somebody within the classified service. And it certainly wouldn't be pursued if we were talking about somebody who had been appointed by the previous government.

And so I find it just a bit offensive that this line of questioning is being pursued today. I don't think I will offer any further compromise on this topic until I have had a chance to discuss it within the realm of the Public Service Commission and legal counsel.

Mr. Yates: — Thank you very much. Mr. Minister, what we have here is an employee, an individual hired outside the normal practices and realms for a position that he's being hired into. I personally have no problems with the individual, and I know who the individual is. I have no idea what his political leanings are, nor do I care.

My concern is that the people of the province of Saskatchewan are well served by the appointments that are made and that an appointment in a very sensitive and important position, that the person should be both qualified and appropriate for the position. I don't know whether he is or isn't. And quite frankly, had the position been properly assessed by the Public Service Commission, by the professionals who are responsible for doing that assessment, we wouldn't be asking these questions.

I'm going to go on to ask some additional questions. The individual was originally entered into a contract that would expire on September 19, 2009. Can the minister give me some indication whether or not his current appointment will in fact end on September 19, 2009?

Hon. Mr. Elhard: — Mr. Chair, no, I can't give that assurance to the member today because frankly I don't know the circumstances of his appointment, nor do I know the expectations of the individual. I don't know what discussions happened between those who hired him and this particular individual. So for me to give any assurances today would be

certainly premature and probably completely without merit.

Mr. Yates: — Thank you very much. Will the minister undertake to review whether or not this contract period will be adhered to or whether it will not be and get back to the committee with that information?

[16:00]

Hon. Mr. Elhard: — You know I wouldn't hesitate to offer to make these accommodations to the member if I felt that there was anything untoward about this particular order in council appointment. You know I've heard the member say, we've established this, this, this, and this. But none of it's outside the boundaries of what is provided within the Act. None of it is particularly unusual because it has happened before.

To make any limitations on the government's authority and opportunity, responsibility within this particular area, would be a dereliction of my duties because I am to protect the public service. But I also understand that sometimes the public service cannot provide everything and all options necessary when a government is looking at hiring qualified people for certain positions. And we will do our dead level best in the future to provide the best qualified candidates for all of these positions, Mr. Chair.

But I cannot rule out that this will never ever happen again. It simply would be irresponsible of me to handcuff our government or any future government to provide the flexibility and the overall capacity of a professional public service. You know a professional public service is arrived at by performance and capacity, not by rules that limit flexibility or innovation or opportunity. And the professionalism of a public service is seen everyday in the way the public service responds to the challenges placed before it by their employers and by the citizens of the province that they serve. The professionalism is how our public service responds, not the rules that are in place that will protect and/or prevent any deviation from the so-called norm.

Mr. Yates: — Thank you very much, Mr. Minister. I'd like to remind you that we're asking these question because these issues have been raised by professional, career civil servants about this particular staffing. And there are concerns that people have about how this was undertaken, and it's our responsibility as the official opposition to ensure the integrity of the professional public service and to ask the questions to ensure that that integrity is upheld.

Now I have in front of me a letter dated February 17, 2009, from the Ministry of Social Services. And in the fourth paragraph it says, "Effective February 1, 2009, Mr. Korol has been functioning in his new capacity within our ministry. This new role is an extension of his attached contract." And his attached contract has an end date of September 19, 2009. That's why I ask the question about whether or not his acting in this position would end on the date of his contract because that's what would be indicated in the letter signed on behalf of the department of Social Services.

Mr. Minister, this could all have been avoided by having this position staffed in a normal means. And we don't know whether

or not the individual would have qualified or not because no assessment was done. We don't know if this unusual practice had to be undertaken. I don't, you know, and I don't know that anybody has anything in particular against this individual because to the best of my knowledge there is no particular concern except the process, and the process is what's left the concerns of people both in the public service and in the official opposition.

With that I am going to move on to another line of questioning.

The Chair: — This seems like a good point to maybe take a five-minute recess. So we'll break for a short five-minute recess.

[The committee recessed for a period of time.]

The Chair: — Thank you, committee members. Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. I want to continue on the line of staffing but in a more generic set of questions. In the last 12 months, have you identified any positions that are difficult to staff within the public service?

Hon. Mr. Elhard: — Mr. Chair, I would say that as an employer, the Government of Saskatchewan and the Public Service Commission generally is not in a position that is unlike that of other large organizations that are looking for employees these days. The skill sets of technical people — in particular engineers, geologists, maybe the odd geophysicist that might be required, people who have a certain computer capacity that is unique, positions that are required for filling in the North — those would be among our biggest challenges, I would say.

Mr. Yates: — Thank you very much. You started by identifying positions and then you went to a geographic area. The concerns between engineers, geophysicists and highly technical positions and the recruiting in the North, could you explain the differences for me?

Hon. Mr. Elhard: — Well they aren't necessarily one and the same. There is a serious challenge around highly technical positions, and I identified a few. But the issue sometimes becomes that much more acute when you're looking to fill those positions in areas of the North where we have some significant recruitment challenges. The reality is today that we are finding it — just like any other organization — more and more difficult to identify the breadth of the technical capacity that we would like to have to serve the people of Saskatchewan.

I am very familiar with the consulting engineering organization here in Saskatchewan. And, you know, they have found themselves in a position of skill shortages, particularly in the areas of civil and municipal engineering. We have the same problem at the Ministry of Municipal Affairs. I think there are requirements for people who can do planning, for instance. There's a paucity of planning capacity in this province, and this at a time when the province is growing like it's never grown before. And municipalities, urban and rural, are looking for skill sets in municipal infrastructure and in planning of subdivisions, you know, those specific requirements. So those are unique, I suppose, especially at this time.

But in terms of positions generally in the Far North, it becomes sort of a double whammy. Not only do we need the technical expertise in many of the northern-based positions; we have more positions available in the North that we would like to find fulfilment. And that's not been as easy to accomplish as we would like.

[16:15]

Mr. Yates: — Thank you very much. University graduates in the province of Saskatchewan are finding it difficult in many cases to find what they describe as entry-level jobs in the public service. Many of the jobs that university graduates see posted tend to require three to five years experience. Could we have some update as to the Public Service Commission's current staffing of new university graduates.

Hon. Mr. Elhard: — Mr. Chair, that's an interesting question because it's the age-old question. You know everybody wants experience, but when the candidate comes to their attention that doesn't have the experience they want, they're turned away and the candidate says well, how do I get the experience you need if you aren't willing to hire me at this entry-level position?

So as I mentioned earlier, having been a headhunter or working in the personnel business years ago, I encountered exactly the same kinds of dilemmas in the hot Alberta market in the late '70s, early '80s, and we were looking for people all the time in all sorts of areas of technical expertise. But when a new grad came to our attention and asked us if we could help locate a position for them, it was very challenging. The individual had to be clearly superior as a candidate at the personal level before I could even get an interview on behalf of that particular individual.

So there are challenges associated with finding employment for new grads all the time, and you would think that that would lessen somewhat when the market is as hot as it is right now. Here's sort of the response from the business community, and that is that when the market is hot, we need the expertise so we can get the projects done and out the door faster.

Now we're as a public service not interested in getting the projects out the door faster, but we still do want experience because that helps us address backlogs. If you talk to a number of the ministries where they have applications waiting for approval, the lineup is usually a direct result of the inability of the public service to fill some of those highly skilled positions as readily as we'd like to. So application backlogs are both a function of increased numbers and a lack of staff to address those increasing applications.

I think the Chair though would like to address more specifically the question you asked about new graduates coming to the Public Service Commission. I noticed with some interest prior to our arrival here today that of the employees in the public service, the majority of them, the largest number of them, are somewhere in that 45- to 55-year span. The fewest number of our employees are 25 years and under. And I think we're down in the 4 per cent range for that demographic group. But I'll let the Chair expand on the question you asked.

Ms. Isman: — Thank you, Mr. Chair. I think it is fair to say

that youth has been a strategic focus for us over the last number of years, just appreciating the demographics that the minister just spoke to. I think in terms of recruitment a few things that we're seeing that might be of interest first of all, over the last year we're seeing an increase in the number of youth in the public service which we measure as being under the age of 30. So it might not be the immediate new grad but the definition of youth that's generally accepted. This is one where I'd like to be on average as opposed to below average.

So interestingly enough we're actually starting to see that demographic profile increase in the public service which is good news to us because some of our youth recruitment strategies are therefore working. One of the statistics of interest as well is, so far in this fiscal year, 57 per cent of those hired — new to government — were youth. So clearly the people that we are attracting into the entry level jobs are young people.

Youth account for 26 per cent of the permanent full-time hiring and 62 per cent of our term hiring. Now that also, I don't think, would be unusual in as much as we often do recruit young people into term positions in government often who then earn seniority within the bargaining unit and then bid on permanent jobs. And that has been the historical trend within the public service for quite some time.

The areas where we've actually had success in terms of hiring youth into the fields are predominantly in social work, finance, engineering and geology, policy and research, and human resources. And so what I would note and conclude from that is, most of those would be areas that would probably require university degrees coming out.

The last point I just would like to note is in terms of our hiring model. We do use a competency-based hiring model, and so it's very seldom that we would actually be recruiting and specifying a number of years of experience in terms of the recruitment into the public service because we are really looking for those transferrable skill sets in between. So that would be the norm. So that's a little bit of some of the work that we've done in terms of youth recruitment over the last year.

Mr. Yates: — Thanks very much. One of the concerns that's been raised in many of our offices by both people graduating from university and their families is this seeming inability to get that first job and concerns raised when it appears we're going outside the province to recruit people. And whether it's optics or reality, they feel that, you know, they're not getting the opportunities and people from the outside are. And their parents and their grandparents have paid their taxes in the province and so on and so forth.

So I think it is a challenge and has been for some time, but I think it's one we have to give some attention to because these young people undertake their education here. They've in most cases lived their entire lives here and are looking for careers in the province of Saskatchewan.

With that, I would like to ask how many positions were filled in the last fiscal year, the total number of vacancies filled in the last year, number of hires in the public service.

Hon. Mr. Elhard: — Mr. Chair, the answer is 1,522.

Mr. Yates: — Thank you. Mr. Minister, would you have a break down, in- and out-of-scope?

Hon. Mr. Elhard: — Mr. Chair, we can't answer the question specifically, but the experience has been that about 85 per cent of the positions are in-scope, about 15 per cent are out-of-scope.

Mr. Yates: — Thank you very much. How many total employees are there in the civil service this year? And how many were in the civil service last year?

Hon. Mr. Elhard: — Mr. Chair, the problem with having been overwhelmed with a few other details recently is that I haven't been able to commit these numbers to memory. I think last year when I was asked I was able to just whip it off like that, and I think I caught the member off guard by my vast knowledge. However my vast knowledge has taken me in other directions this year. We have 12,455 employees in the various ministers as of April 1, 2008. And last year we had 12,197, so that's an increase of about 258.

Mr. Yates: — Thank you very much. And that would be FTEs [full-time equivalent], correct?

Hon. Mr. Elhard: — Those are actual employee numbers.

Mr. Yates: — Thank you. Is that both in- and out-of-scope with the collective agreement?

Hon. Mr. Elhard: — Yes, it is.

Mr. Yates: — Thank you. Mr. Minister, could you give us an update on what the average age of the civil service, the public service would be today?

Hon. Mr. Elhard: — The average age is 44 years.

Mr. Yates: — And do you remember what the average age was a year ago?

Hon. Mr. Elhard: — Very similar actually. Very, very similar.

A Member: — One year younger.

Mr. Yates: — Last year I was given 43, so I'm just asking. All right. Thank you, Mr. Minister.

I would now like to move into an area we started questioning along a year ago, but after November 21, 2007 there were a number of terminations in the civil service, senior civil service. And at the time of estimates a year ago, many of those terminations and the subsequent negotiation of severance packages was incomplete. Could you give us an update on how many total employees were terminated that required severance packages? And you can exclude those that were here in the building itself, Executive Council. But if you could give us an update.

Hon. Mr. Elhard: — Well, Mr. Chair, the answer that I want to provide the member is a bit confusing depending on what precisely it is he wants to know. But if the member's asking about the terminations that accrued as a result of transition, the answer is that all of those positions have now been satisfied. All

of those terminations have now been satisfied through negotiation or whatever arrangement we were able to achieve with the individuals.

In the interim, there were some individuals who were terminated as a result of this spring's budget, and I think there's still about 10 of those being negotiated; outstanding claims have not been satisfied yet.

Mr. Yates: — Thank you very much. My question would have been around the transition. A year ago I was told there were 29 packages offered. At that point, 10 had been accepted. So I assume we're still talking about 29, and now 29 have been accepted? What was the total cost of those 29 packages?

[16:30]

Hon. Mr. Elhard: — Mr. Chair, I will undertake to the member to provide that answer. The answer, the information we've got here does not distinguish between that first group and the latter group. It's a sum total.

Mr. Yates: — Thank you very much. And you indicated that as a result of budget, this year there are 10?

Hon. Mr. Elhard: — No, they weren't all budget, but there are still 10 that are unresolved.

Mr. Yates: — Thank you very much. Of those 10 unresolved, are any of them before the courts or a third party?

Hon. Mr. Elhard: — I'm told that none of the outstanding claims are in the legal system. They're still just in negotiations with the Public Service Commission.

Mr. Yates: — Thank you very much. Mr. Minister, when you're providing information regarding the first 29 packages, could you provide information as to what was included in those packages and the structure of the packages?

Hon. Mr. Elhard: — I guess we can provide information that is going to be seen as a matter of public record, but if there is a, you know, a personnel issue identified as part of that settlement, we want to be very cautious about that. A lot of these agreements have clauses that require confidentiality, and I want to be careful about that undertaking. So if you're asking us to do something that we cannot do or that would be inappropriate for us to do, we won't. But we'll provide you whatever information we can.

Mr. Yates: — Thank you. I'm looking for generic information as to the types of things that were included in the packages.

Hon. Mr. Elhard: — That's fine. Generic information I think we can, by and large, supply.

Mr. Yates: — Thank you very much. My next question has to do with, within the civil service, I asked questions a year ago about the number of outstanding grievances. Could I get an update today, what the number of outstanding grievances are?

Hon. Mr. Elhard: — Mr. Chair, we have a number of statistics available on the topic that was raised by the member.

Grievances as of February 28 this year total 733, 69 of which are scheduled to go to arbitration.

Mr. Yates: — Thank you very much. And that would include both those in SUN, CUPE?

Hon. Mr. Elhard: — Yes, I believe the answer is correct.

Mr. Yates: — Thank you very much. Do you know how many new grievances were filed in the last year, and how many were resolved?

Hon. Mr. Elhard: — Well I don't know if we've got the exact number of new grievances, but it's coincidental, I think, that the number of outstanding grievances is identical this year to last year. I'm assuming some were resolved, and there were some new ones. But I don't know that we have those precise figures on hand. If we don't, we'll undertake to provide that.

Mr. Yates: — Thank you very much. Mr. Minister, could you tell us how many of those outstanding grievances are for termination?

Hon. Mr. Elhard: — We don't have that information with us here. We'll have to provide that to the committee.

Mr. Yates: — Thank you very much. Could you also indicate to us how many of those grievances for termination are beyond 120 calendar days?

Hon. Mr. Elhard: — Mr. Chair, we can't provide that information either because we don't have the cause of grievance, so the timeline would be difficult for us to estimate right now. But we'll include that information as part of the package.

Mr. Yates: — Thank you very much, Mr. Minister. I'd now like to ask a number of questions to do with employment equity and diversity staffing within the public service of Saskatchewan. Could I have a breakdown today of the number of employees self-identified in each of the categories, please?

Hon. Mr. Elhard: — Mr. Chair, we as a history of reporting on this particular issue have generally provided a percentage of the public service for various categories. And if that's suitable to the member, we'll give him the following information, and these statistics, these percentages as of March 2008: Aboriginal persons make up 11.4 per cent; persons with disabilities, 3.3 per cent; visible minority persons, 3.3 per cent; women in senior management positions, 40.2 per cent; women in middle and other management positions, 35 per cent.

I would like to acknowledge the fact that in almost every instance we are moving progressively higher in these various categories. We have in every instance fallen short a little bit of the Saskatchewan Human Rights Commission goals for our public service, but our purposes are clear. And our intention is well understood that we want to improve our standing in these various categories, and we're doing what we can to achieve better results.

Mr. Yates: — Thank you very much. I'd like some follow-up as to what programs and policies are in place today to advance

employment equity within the public service and what priority is placed in the, I guess, the assessment of deputy ministers and departments in carrying out employment equity diversity staffing within their departments?

Hon. Mr. Elhard: — Mr. Chair, I'd like to ask Ms. Isman to respond to that question. She's very knowledgeable on a first-hand basis with the subject matter, and I think that would serve the committee well.

Ms. Isman: — Thank you, Mr. Chair. The commitment of diversity is actually, I think, very well embedded in both the public service active regulations as well as our collective bargaining agreements. And I think our commitment is well understood both within the ministry, certainly at the Public Service Commission, and I think in the community at large.

Generally I'd say the ministries are all making steady progress, and I think under the guidance, if you will, of the Public Service Commission and the tools and the processes that we've put in place working with them.

I talked to you a little bit earlier about youth and some of the youth initiatives that we've undertaken, and although not a designated group under the Saskatchewan Human Rights Commission, still an important part of attaining a diverse workforce within the public service.

With regard to Aboriginal employment specifically, there are several things that we've done. And we noted last year within our budget, we have included in our workforce an Aboriginal recruitment consultant within the staff at the Public Service Commission that's a dedicated resource to enhance the recruitment and retention of Aboriginal people within the public service.

The role of this individual really is to network with the Aboriginal communities and to open up doors for us in terms of accessing Aboriginal job seekers to work with individual ministries. The individual then plays very much a liaison role between the candidates and with the ministries in terms of looking for opportunities for employment. The individual, I think, has enhanced the public profile of our diversity efforts within the Aboriginal community.

We also have a disability employment consultant working with the Public Service Commission that is recruiting job seekers with disabilities, working with the ministries, looking at ways for us to modify jobs and create job opportunities for persons with disabilities, as well as looking at accommodation needs.

Some of the other things that we've done, as you might be aware, is we've got a program in terms of hiring people with intellectual disabilities as program assistants both at Valley View and in the Ministry of Highways. That's been effective and is one where we're doing some current dialogue and discussion with the union about enhancing and expanding that program initiative.

We also have apprenticeship programs for Aboriginal heavy-duty welders in Highways. We've got a letter of understanding with the SGEU whereby for entry-level positions, we can look to recruit external people into entry-level

jobs and therefore not be barred by the seniority provisions of the collective bargaining agreement, and I think as well the SGEU was very supportive in terms of those initiatives.

We also designate positions for designated group hiring within the public service, which is a means for us as well to be able to go to the street to bring in designated group people into positions within the in-scope positions within our workforce.

We've also done some new work this year in terms of recent immigrants that are in the English as a second language program, bringing them into internship programs in the public service, and I think that is certainly one way that we can enhance our ability to hire visible minority people in particular. A lot of the external recruitment work that we do is targeted to designated group people and the career fairs and events that are hosted by those businesses and agencies that are supporting designated group people across the province.

Mr. Yates: — Thank you very much. When we look at some of the challenges facing the public service of Saskatchewan over some period of time here, hiring of individuals in diversity groups or employment equity groups has been difficult because of an inability I guess to some degree to reach into those communities and work with those communities. I notice you have somebody working, as you talked about an Aboriginal consultant. Do we have consultants that are trained or specifically work with other diversity groups within the public of Saskatchewan?

Ms. Isman: — Yes, Mr. Chair. The other one that I noted is a person working with the disability community, which is an area that does take some specialized expertise in terms of looking at modifying jobs to accommodate persons with disabilities as well as looking at accommodation needs in the best way. So we do have an individual on staff working both with human resource consultants and with ministry managers to best understand.

And those are the two areas that we've seen where we have the most significant need to be out into those specific two communities, and that's why we've targeted our efforts in those two areas.

Mr. Yates: — Thank you very much. I talked a year ago about a letter of understanding. It was signed several years ago that resulted in placements of individuals that were intellectually challenged into the Department of Highways and a program that for some years didn't seem to be growing. Could you give me an update as to whether or not there has been any movement on that program at all in the last year?

[16:45]

Hon. Mr. Elhard: — Mr. Chair, I think that's a question that I want to address personally because in the brief time I've been the Minister Responsible for the Public Service Commission and coincidentally the Ministry of Highways and Infrastructure, I've had the opportunity first-hand to see the effectiveness of that particular program on the minimal scale, but nevertheless a very effective program. The numbers of people involved in the initiative are not great yet.

But here's what I can report. Where we have had opportunities to place individuals with intellectual disabilities, in particular with the Ministry of Highways — I won't speak of other ministries because I'm not quite as familiar with their experience — but where we've had that opportunity with the Ministry of Highways, it has proven to be one of the most exciting workplace initiatives that we could have undertaken because the quality that these individuals bring to the work environment is absolutely amazing. The attitude is great. The personalities are strong. The enthusiasm is almost uncontained. And the invigoration, I would say, that these individuals provide in the work environment is hard to describe. It really is.

We have an individual working in our ministry who is absolutely committed to the furtherance of this type of programming in other ministries and is willing to work, as was mentioned, across ministries to achieve some of the same outstanding and positive results where possible elsewhere. And we're not that far away from being able to say publicly that this is an initiative not only supported by the Public Service Commission, not only by the Ministry of Highways, but by our government in a much more aggressive way. I don't want to predict today, you know, what it is we're going to be saying about this initiative, but we are pretty pumped about what's coming in this area and the commitment of the people within the public service, within the various ministries to make this initiative a larger success than it's already been.

You know, I can't — I don't think, for the record — indicate adequately how vibrant many of these individuals are when they join the workplace, and how enthused they are to be part of a team, and how excited they are to contribute to the operational success of that environment in which they're placed. And boy, that enthusiasm is absolutely contagious. And we need to take whatever opportunities we have to make sure that we expand the programs on behalf of the intellectually challenged and make good use of that personality they bring.

Mr. Yates: — Thank you very much, Mr. Minister. As you may well be aware, I have a close personal attachment to that original program when it came into place, and I agree with you 100 per cent on the enthusiasm and just the fundamental change it brings even to a workplace. And it's something that for many years has been somewhat stagnant. I'm glad to hear that will be moving forward.

Mr. Minister, I would like to spend our last few remaining minutes talking about the program dealing with the employment service centre and the MIDAS [multi-informational database application system] program. And if I could have some update where things are at. I'm not getting the number of phone calls we were getting a year ago about the problems with the MIDAS program and with the concept of the employee service centre, but could you give us an update where we're at on those programs?

Hon. Mr. Elhard: — Mr. Chair, the best person to answer the question of course is Ms. Isman because she's been very closely attached to this particular initiative for a number of years. I'm amazed at how many times in our meetings over the last 15 or 16 months that she has raised this particular initiative because she believes in it, the Public Service Commission leadership team believes in it, and I think as we see this project unfold, so

do members of the public service generally. So I'm not surprised to hear you say that you've had fewer calls of complaint, but for the details, I'm going to defer to Ms. Isman.

Ms. Isman: — Thank you, Mr. Chair. Yes, this is an area that I'd say we're very excited about and is progressing as planned. I think first and foremost to say — although we're a little bit later in time than we had initially anticipated — we do believe that the whole initiative of centralizing the HR, admin. [administrative], and payroll functions will actually come in based on time and on budget to what we initially anticipated, give or take a few months.

And I do want to acknowledge the hard work of Raman Visvanathan who's sitting behind me, who is the executive director of the employee service centre and really is leading this initiative.

Just in terms of the details, this is an initiative that arose a number of years ago whereby we believe by centralizing our HR, admin, and payroll initiatives and creating a new service delivery model here, we can actually perform these operations more effectively and more efficiently for government.

The new service delivery model was intended to improve our overall payroll operations and thereby minimize the complaints that we received at any level of the organization, to achieve greater consistency in terms of the application of our policies and our processes, to standardize our processes across the public service and all of the ministries to improve the data quality, and ultimately to enhance our efficiency and effectiveness by eliminating some of the redundancy that's been created.

Some of the things that we are currently working on, first and foremost, we decided that a centralized model was the most appropriate model. So we've gone through all of the change management process that it would take to identify an appropriate organizational structure. We're currently now reviewing each and every process that is involved in the HR, administration, and payroll process, looking to make sure that we've got consistency across the ministries, that we've eliminated any redundancy and duplication of effort in order to streamline the processes.

We are also moving to train all of the staff to be able to handle the seamless end to end processes and thereby minimize the number of hands that any one transaction needs to touch, while also observing upon the importance of appropriate governance and checks and balances in the payroll system as well.

We are scheduled to do the initial implementation of the first teams that will transition in September. The second group will come in January, and then the last group at the end of the fiscal year.

Mr. Yates: — Thank you very much. My final question is going to do with the essential service legislation and impact in the public service. A year ago I asked a question regarding . . . At the time, the issue of essential service in the PS/GE [public service/government employees] agreement group was an issue that was going to be before Vince Ready as an arbitrator. And subsequently we had legislation come forward. Can you give

me an update where that issue is and what in fact is the rules that will govern that issue?

Ms. Isman: — Mr. Chair, we have established a process to determine the proposed list of essential services for executive government that we will then forward on behalf of the public service to the Ministry of Advanced Education, Employment and Labour. The process that we have established adheres to both the new legislation as well as the binding commitment that we had with the SGEU flowing from mediator Vince Ready's report. So we actually have two simultaneous processes going on: one that is specific to the health and safety initiatives that were identified in Mr. Ready's report, as well as those other areas that are deemed essential under the legislation. And we do anticipate that we will have a determination of the essential services within the time frame established in the legislation and before our bargaining commences.

Mr. Yates: — Thank you very much. That answers my questions.

The Chair: — Seeing that we are near the hour that was scheduled for Public Service Commission, I want to thank the minister and his officials for appearing this afternoon and the members of the committee for their questions and Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. I would also like to thank the minister and the officials for coming this afternoon. We do appreciate the answers and the time you've taken to share the information with us this afternoon.

The Chair: — Minister Elhard.

Hon. Mr. Elhard: — Thank you, Mr. Chair. I'd like to assure the committee that we find the time we spend here both valuable and important as part of the democratic process, and questions may get tough and there may be a little tension in the air once in awhile, but that's part of the process. These benches in here aren't set a little more than two sword links apart for no reason, and we're beyond the swords now, so we will in the words of a previous speaker, you know, fight with words as opposed to with arms.

But this is an important part of the process. We're glad to be here. We thank the members of the committee, especially those from the opposition for their questions, and we look forward to being here again. I'd like to thank our officials because as anybody who watched this noticed, I don't answer these questions without very thorough and capable help, and it's provided to me by the people who surround me today. So thank you to them as well.

The Chair: — Thank you, Minister, and to your officials. This committee stands recessed until 7 p.m. this evening.

[The committee recessed for a period of time.]

[19:00]

Bill No. 87 — *The Income Tax Amendment Act, 2009*

The Chair: — Good evening, committee members. The item before the committee is consideration of Bill No. 87, *The*

Income Tax Amendment Act, 2009. Mr. Gantefer, welcome to the committee. Would you at this time introduce your officials.

Hon. Mr. Gantefer: — Thank you, Mr. Chair. It's my pleasure to introduce to you again and to the committee, Deputy Minister Doug Matthies on my left; assistant deputy minister, taxation and intergovernmental affairs branch, Kirk McGregor; Arun Srinivas . . .

A Member: — Srinivas.

Hon. Mr. Gantefer: — Srinivas — I always get that mixed up — senior tax policy analyst, taxation and intergovernmental affairs branch; and Larry Jacobson, at the table behind, the manager of the corporate taxes and incentives branch, revenue division.

Clause 1

The Chair: — We'll now consider clause 1, short title. Minister, if you have opening remarks, you can make them at this time.

Hon. Mr. Gantefer: — Very briefly, the intent of Bill 87 is to accomplish a number of things. The first is to convert the existing non-refundable, research and development — R & D — tax credit to a refundable credit and to maintain the effective dividend tax credit rate on eligible dividends at the current 11 per cent.

The Bill also makes technical amendments to clarify eligible tuition fees for the purpose of the graduate retention program, maintain the provincial income level for small businesses at the current level of \$500,000, and respond to Canada Revenue Agency's request for legislative clarification for the non-refundable R & D tax credit.

So a pretty technical Bill, and we'd be interested in answering questions.

The Chair: — Thank you, Minister Gantefer. Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. I have a number of questions. I'd like to start by asking the Minister of Finance if they are yet in a position to reconsider and make amendments to the provisions dealing with the graduate tax to include both master's and Ph.D. students in the province of Saskatchewan?

Hon. Mr. Gantefer: — The changes in this legislation are the technical changes required to realize the commitment that the government had to recognize the graduate tax credit for degree programs and programs of one, two, three, and four years.

The policy direction in terms of changes to that position will be initiated from Advanced Education, Employment and Learning. And at this stage, Finance is providing the technical background to make sure that the existing provisions are properly met.

Mr. Yates: — Thank you very much. Can I take from your comments that we will in fact see an enhancement to the program in the future to deal with master's and Ph.D. graduates in the province of Saskatchewan?

Hon. Mr. Gantefer: — Yes, the commitment that I would make is one that the government would make, in that we're looking at all of these opportunities to enhance our tax competitive position in the province. And certainly my colleague, the Minister of Advanced Education, Employment and Learning, I'm sure is considering these questions with many others.

Mr. Yates: — Thank you very much, Mr. Minister. I listened with great interest as the Premier and others went to Ontario, and watched the news where the Premier announced that graduates from universities in Ontario in fact can move to the province of Saskatchewan, would be able to receive up to \$20,000. It wasn't clear, but I think it's fair to say that the understanding would be that's coming from the graduate tax program.

Mr. Minister, how do you see it fair that Saskatchewan taxpayers would pay, in a graduate tax program, for students that were not only educated in other provinces but — if students are from here and educated in another province, they're eligible — but these are students whose parents didn't pay taxes, and they didn't pay taxes in the province of Saskatchewan. We will make them eligible for the program, but we would not make eligible for the program those who receive master's or Ph.D. and are in fact residents of the province of Saskatchewan. Could you square that circle for me?

Hon. Mr. Gantefer: — Certainly from Finance's standpoint, we're providing the technical and logistical support to make sure that the policy decision that is initiated by Advanced Education, Employment and Learning is appropriately dealt with from a taxation and a tax credit standpoint. We support, and certainly Finance's role is to support, the initiatives and the policy of the government. And the technical amendments that are in this Bill support the initiatives and the commitments that the government has made to date.

I believe that it is a very important program. It's well received by graduates from our universities and technical schools as well as a significant incentive for graduates of programs in other jurisdictions to move to Saskatchewan to establish themselves and their residency and to make themselves eligible for this tax credit and be a part of building the Saskatchewan economy going forward.

Mr. Yates: — Thank you very much, Mr. Minister. My next question has to do with the status of the economy today and the impact of tax cuts on the revenues to the government. We are seeing today the Bank of Canada continuing to analyze the current fiscal situation in Canada. We see a drop to the lowest ever interest rate from the Bank of Canada in Canadian history, to a quarter of 1 per cent. And we see projections that Canada's economy is going to have negative growth of 3 per cent next year, and the extent of the recession will be longer and more prolonged than anticipated.

That could result in significant revenue shortfalls or revenue problems for the province of Saskatchewan. Mr. Minister, if the revenue situation within the province deteriorates, can and will we expect to see income tax increases or tax increases, particularly in income tax, and a reversal of the Bill we see before us today.

Hon. Mr. Gantfoer: — I think it's a very interesting exercise to put on the glasses and to try to look into the crystal ball to see exactly what's going to happen to the international economy, the Canadian economy, and even Saskatchewan's economy.

I think, by any measure, the experts are pretty well unanimous in agreeing that Saskatchewan is going to fare better than any jurisdiction in Canada, and by and large, regardless of the change in forecast by the Bank of Canada today, Canada is still faring very well in comparison to other jurisdictions in the world.

Certainly we review, on an ongoing basis, the fundamental inputs into the economic modelling that we use in the province. And we believe that we've built in a sufficient level of fiscal prudence in our assumptions to ensure that our projections in terms of the budget figures are going to be sustainable and are going to withstand the forces that are at work in the economy.

I also note that the Bank of Canada, in revising their forecasts, are also not revising them in terms that it's going to take forever for the economy to rebound. I think they've moved it back one quarter.

And while the impact is more significant, certainly Saskatchewan is well positioned to weather this in a relative comfortable position compared to other jurisdictions. We arguably have gone into the downturn later than other jurisdictions. We're being affected to a lesser degree than other jurisdictions, although we are being affected. And it's our expectation that we will rebound sooner than other jurisdictions, so we're in a pretty enviable position.

Mr. Yates: — Thank you very much, Mr. Minister. But the question I asked is if things turn, take a downturn and things do turn to the negative in Saskatchewan, would we be looking at a reversal of the income tax cuts before us? And if not, there's only two ways governments deal with revenue shortfalls. One is through tax changes, new revenue, and the other is through a decrease in services. So, Mr. Minister, which would be the choice of the government in that situation?

Hon. Mr. Gantfoer: — Certainly in a very simplistic description of the choices that the member outlines, it might be that clear and straightforward. In reality there are a number of initiatives that can be taken that mitigate against any of these unforeseen speculations of what may happen.

We believe that we've built sufficient safety and prudence into our forecasting numbers, that we are not going to be faced with the kinds of scenarios that the member outlines. And we are sufficiently confident, as we went through the budget preparation process, to ensure that we did build in that kind of level of safety so that the people of the province can have strong assurance that the economy and the budget of Saskatchewan are indeed going to remain completely intact.

Mr. Yates: — Thank you very much, Mr. Minister. I have no further questions.

The Chair: — Seeing no further questions on Bill No. 87. Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 8 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 87, *The Income Tax Amendment Act, 2009*. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — And that is carried. And I would ask a member of the committee to move that we report Bill No. 87, *The Income Tax Amendment Act, 2009* without amendment.

Mr. Weekes: — I so move.

The Chair: — It's been moved by Mr. Weekes. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — And that's carried.

Bill No. 88 — *The Corporation Capital Tax Amendment Act, 2009*

Clause 1

The Chair: — And we will move to our next item, and that is Bill No. 88, *The Corporation Capital Tax Amendment Act, 2009*. Minister, I believe you still have the same officials. Clause 1, short title — is there an opening statement on this Bill, Mr. Minister?

Hon. Mr. Gantfoer: — Thank you, Mr. Chair. Very briefly, the purpose of this Bill is to provide the authority for the remission of corporate capital taxes to those financial institutions that acquire, through amalgamation, the assets of a non-financial corporation and thereby not create a tax liability as a result of the acquisition. It'll recognize the opportunity for financial institutions to acquire non-financial corporations and locate them into Saskatchewan.

So it's very much a Bill that's designed to provide economic opportunity for financial institutions to acquire non-financial acquisitions in the province and to expand them here.

The Chair: — Okay. Questions. Mr. Yates.

Mr. Yates: — Thank you, we have no questions at this time.

The Chair: — Okay. Seeing no questions we will move to the vote. Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 5 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent

of the Legislative Assembly of Saskatchewan, enacts as follows: *The Corporation Capital Tax Amendment Act, 2009*. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — And that is carried. And I would ask a member of the committee to move that we report Bill No. 88, *The Corporation Capital Tax Amendment Act, 2009* without amendment.

Mr. Reiter: — I would so move.

The Chair: — Moved by Mr. Reiter. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — And that's carried.

I want to thank, on behalf of the committee, the Minister of Finance and his officials for appearing this evening, and I want to thank all members of the committee and our support staff for their help this afternoon and this evening. And, Mr. Yates.

Mr. Yates: — Thank you very much. I'd also like to thank the minister and his officials for coming this evening. Although we weren't here for a long time, it's nice and important to have the opportunity to ask questions about Bills. So thank you very much for your attendance tonight.

The Chair: — And at this time I would ask a member of the committee to move that we adjourn.

Mr. McMillan: — I so move.

The Chair: — It's been moved by Mr. McMillan. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — And that's carried. This committee stands adjourned.

[The committee adjourned at 19:14.]