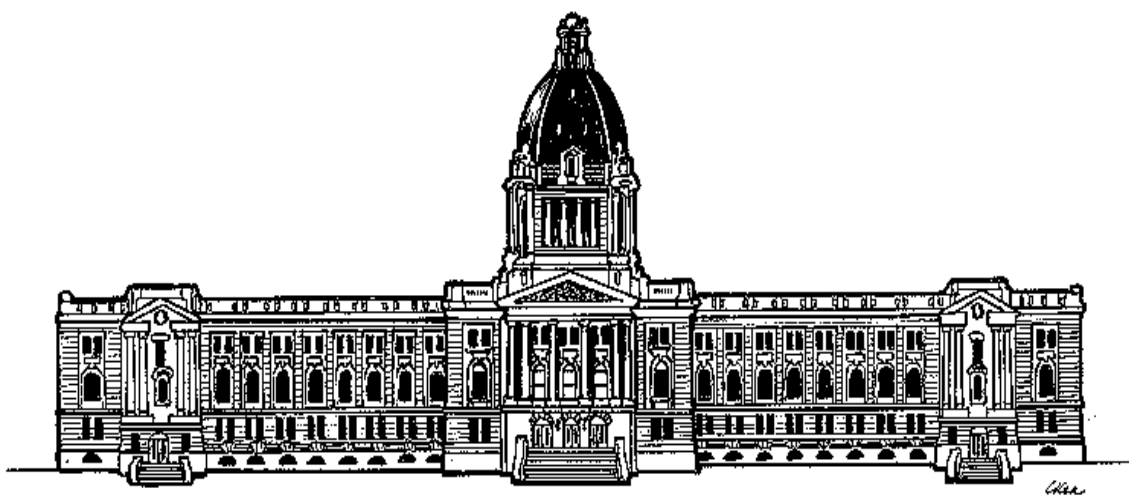




STANDING COMMITTEE ON THE ECONOMY

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Legislative Assembly of Saskatchewan

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**STANDING COMMITTEE ON THE ECONOMY
2006**

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Batoche

Mr. Eldon Lautermilch
Prince Albert Northcote

Mr. Lyle Stewart
Thunder Creek

[The committee met at 15:13.]

Bill No. 34 — The Labour Market Commission Act

Clause 1

The Chair: — Thank you very much, and welcome to the Standing Committee on the Economy. Our first item of business today is review of Bill No. 34, The Labour Market Commission Act. We have with us today the minister responsible for this particular piece of legislation. Madam Minister, would you introduce the officials that are here with you today.

Hon. Ms. Atkinson: — Thank you. Joining me this afternoon is Rob Cunningham, the assistant deputy minister. He's to my left. To my immediate right is Linda Smith, executive director, policy and evaluation branch; and Mary Didowycz, senior policy adviser, policy and intergovernmental relations, policy and evaluation branch. Joining us as well is Reiko Nakatsuchi who is a M.P.A. [Master of Public Administration] intern. And we have two non-officials attending with us: Larry Hubich, the president of the Saskatchewan Federation of Labour; and Holly Hetherington, third vice-president of the Saskatchewan Chamber of Commerce.

The Chair: — Thank you very much, Madam Minister. Are there any questions? Do you have an opening statement, Madam Minister?

Hon. Ms. Atkinson: — I made all of my remarks during my second reading speech, so we'd be pleased to take any questions on the Bill.

The Chair: — Thank you very much. We now open the floor to questions. I'll recognize the member from Cypress Hills.

Mr. Elhard: — Thank you, Mr. Chair. And good afternoon, Madam Minister, to you and your officials and to our guests. I think the discussion we're going to have this afternoon about this particular piece of legislation will be beneficial, not just to our own understanding of what the government's intention is with this commission that the Bill strikes, but a little bit more on the background that we are hoping to learn today from the two guests that you have brought to the Legislative Assembly and to this committee meeting.

Madam Minister, we had the Saskatchewan Labour Force Development Board in existence up until just a short time ago. I think the dissolution was announced a few months ago. Would the minister give us the government's perspective on why this particular configuration is necessary to the development of a comprehensive strategy for labour development in the province versus what was happening previously?

Hon. Ms. Atkinson: — What I can tell you is that the Saskatchewan Labour Force Development Board had been a vehicle for discussions between business and labour on provincial labour market issues. Under the leadership of Ms. Hetherington and Mr. Hubich, the Labour Force Development Board identified the need to recreate itself in that they needed to take a look at the tools that they had to meet the needs of the economy. So in 2005 they struck a task force to review the

operations of the entity. And the task force presented its findings to the Saskatchewan Labour Force Development Board and it recommended that rather than modifying the existing Labour Force Development Board, that a new entity be struck to replace the SLFDB [Saskatchewan Labour Force Development Board]. So the current SLFDB is being wound down with the intent of striking up the new Labour Market Planning Commission once the legislation's proclaimed. So I think that's a bit of the background.

Mr. Elhard: — This particular piece of legislation envisions a total complement of about 19 people — I shouldn't say about 19 — I think it's specifically and directly 19 people. Now the previous entity, I think, had in excess of 30 people. Can the minister identify which groups will not be represented and not participate in the new structure versus who was participating in the previous Labour Force Development Board?

Hon. Ms. Atkinson: — Well I can say that various representatives came and went throughout the life of the Labour Force Development Board. This time it's very specific in legislation. There will be five citizens representing business, five citizens representing labour, six people representing the various training institutions in the province, as well as the deputy minister of Advanced Education and Employment. One person will represent what we're calling the social economy, which is the community-based sector, and two people will be appointed specifically by the minister.

We're hoping to have . . . And we've set this out in legislation. We want to have geography represented, gender obviously represented, race represented or ethnic background represented. And depending upon who is chosen, then it will give me some flexibility with the two appointments and the person from the social economy to try and match all of those specific elements of a board that could truly be representative of the province.

Mr. Elhard: — Would it be possible to characterize the situation as this commission now being much more focused versus lesser focused by the previous organization, or is it a clear change in direction? What exactly would you say defines this commission versus the previous board?

Hon. Ms. Atkinson: — Not to detract from the previous board, but I would say that what we're trying to do is to gain an understanding of the provincial labour market, the regional labour market, the various sectors of the economy which have labour market needs. As well we want to foster co-operation between business, labour, First Nations and Métis people, training institutions, and government in order that we have the right labour market policies and strategies to meet the labour market.

So I would say that the notion behind this legislation and the appointments of people to this particular commission is to have a laser-like focus on ensuring that we understand the labour market both provincially and regionally and sectorally so that the training institutions can adapt. And I think it's also important that labour be there because we will need to have the co-operation of business, labour, and the training institutions, and the province obviously if we are to meet the challenges of the labour market.

Mr. Elhard: — Madam Minister, I think the focus is appropriate given the challenges facing the province in terms of labour capacity and the potential difficulties we will find ourselves in as a province when we're competing for skilled labour with other jurisdictions which are also going to be experiencing labour shortages.

But I would have to take from your response that while this is very much more focused — and you used the term laser-like focus — that would suggest that the previous commission was not as focused.

Now I don't want to put words in your mouth because you did say that there was some good work done by the commission, but can I assume that it was not as directed? The work may have been sidetracked by the sheer size of the organization or other complications, given the existence and the number of people on the previous board.

Hon. Ms. Atkinson: — Well I certainly don't want to detract from the work that was done by the Saskatchewan Labour Force Development Board, and there were a number of citizens who represented specific interest groups that were represented on that board.

What we're attempting to do here is to establish in a very sharp way — with a lot of rigour — linkages to regional and sectoral planning bodies. For instance your part of the province has the Action Southwest. They've been able to bring all kinds of people together to look at the labour market. That is an example where this board, which will be very focused, will be able to make linkages.

We also have the northern labour market planning group, where they have been in existence, I think, longer than anywhere else. We're hoping through the various REDAs [regional economic development authority] that we can bring together regional planning approaches.

And then of course we have sectors. We have the mining sector. We have the forestry sector. We have the manufacturing sector, the construction sector. And the construction sector differs depending on whether it's industrial, commercial, or residential. We have just a tremendous number of sectors. And I think what's important for the public to understand is that not every single industry is going to be represented on the provincial organization but the plan is to have specific relationships with sectoral bodies or regional bodies so that we can feed information in to the provincial commission which will be fed in to the province.

And we can have this genuine co-operation between business, labour, obviously First Nations and Métis people because a lot of people are ... First Nations and Métis people are in the regions. They are an untapped at the moment workforce, potential workforce. And we're hoping that this organization that we're creating is going to foster very serious co-operation between all of the players.

And I guess the other thing that I would say is that government can't address alone all of the complexities of the labour market. And there are complexities. And the depth and the urgency and the complexity of the challenges that we face requires a

concerted effort on the part of everybody. And we think we have the right people at the table who will engage in this concerted effort to get things done.

Mr. Elhard: — Madam Minister, we've brought guests into the committee hearing today and I think we want to get to them, but I have a couple of other issues I want to just attack right now before they come. I understand that we will give them an opportunity to speak directly to the committee.

I noticed that the technical institutes that are participating in this are identified by name but there is no recognition of either of our provincial universities. Can you explain why they were not part of this mix?

Hon. Ms. Atkinson: — That's a very good question. And the reason that the universities have not been identified by name is because universities provide a broader type of education, and they're also involved with research and development. Fundamentally this is focused on the technical and training side of the equation where we have the greatest need and urgency in terms of having a skilled and trained labour force.

Mr. Elhard: — In section 6, this particular piece refers to general powers. Can the minister identify for us if there is any greater power provided to this particular commission or any lesser power ascribed to this particular commission than would otherwise be normally expected?

Hon. Ms. Atkinson: — I'm advised by my officials the answer is no.

Mr. Elhard: — The legislation also makes this commission's report ... maybe I should back up and say it makes this commission responsible directly to the minister. But I don't see in any respect where the minister is obligated to act on the findings of the report. Without tying the minister's hand or Executive Council's hands, is the minister prepared to give this committee of the House an assurance that she and/or her government will reply positively and expeditiously to the information provided by this commission?

Hon. Ms. Atkinson: — Also a very good question. I can give you my assurance that I am going to listen very carefully to what the Labour Market Commission has to say with regards to labour market issues in the province.

Obviously I cannot conclude on behalf of all of my colleagues that they're going to listen to what I have to say based on what the Labour Market Commission has to say. But I think in many respects this is a historic piece of legislation in that we have business and labour that have come together to urge the province to bring forward this particular type of legislation. And I think that we would all be very wise to follow the counsel of the people from the commission as well as the various sectoral groups, the regional sectoral planning groups. I think we're going to have to be pretty nimble and we're going to have to listen very carefully because we have some significant labour market issues that we're not only facing now but given the fact that the boomers are beginning to retire, we're going to have to respond fairly quickly.

Mr. Elhard: — Madam Minister, I would suggest that given

the importance of the topic, given the rationale for proceeding this way with the commission — the striking of the commission — and given the urgency I suppose of the labour force matters that face the province, we don't want to undermine the good intentions or the valuable contribution this commission can make. I think it's important that we give them some confidence that the information that they come up with, the research they do, the strategies they develop, will be very much the information on which government action is based.

On the other hand, Madam Minister, the last thing we need is another commission who puts a lot of energy and effort into providing good information and whose recommendations are largely ignored or left sitting on a shelf someplace to collect dust. And if I have one concern I suppose it is that potential, that we have an engaged commission, we've got the support of both business and labour, and in spite of all the good work they do that somehow doesn't impact the decision makers on this file. The matter is far too critical for that to happen.

So I guess I asked for the minister's assurance . . . And maybe I was expecting too much because she's not the only individual that plays a part in the decision making. I think that our view as the official opposition needs to be on the record that we think that if we're going down this road we better pay attention to the advice we're given by the people who are developing this information.

Madam Minister, I wonder if we could take a few minutes now to hear from our witnesses, to hear from them the origin of this or the genesis of this particular idea and have them walk through the history of the proposed Labour Market Commission.

Hon. Ms. Atkinson: — I'll leave it up to Holly and Larry to determine who they wish to have speak or maybe it's the two of them.

Mr. Hubich: — Thank you, Minister. Good afternoon. I was hoping that Holly would take the lead, but she's not prepared to do that . . . [inaudible interjection] . . . no, I think she is actually.

Maybe just a brief comment. A number of months ago, actually a year and a half, both major players at the Saskatchewan Labour Force Development Board determined that that board was not fulfilling its mandate and objective. The Federation of Labour, who is the key labour partner, and the chamber of commerce, who is the key business partner, had some serious decisions to make. It was whether we were going to continue to engage in the process or whether we were going to withdraw.

Both of us as organizations were faced with recommendations from our respective boards that we either repair the Labour Force Development Board or withdraw from participation. So as the minister has indicated, we commissioned a task force of members from the board, along with a couple of business consultants from the city of Regina, to go through a very exhaustive process of interviewing all of the participants on the board, our key stakeholders, to find out what the board did, where the shortcomings were, where the positive things that we were doing — because the board was doing some positive things — and then some recommendations flowed from there.

We had three options. One was to cease, the other was to reinvest in the existing board, and the third was to replace it. And as we proceeded through that process we came to the conclusion that probably the best thing would be to morph it into something different. We engaged in some meetings, we examined some other alternative options, boards that . . . or equivalent boards that exist on the national level, other provinces. We looked at Alberta. We looked at Quebec. We looked at Manitoba. We looked at the federal Canadian Labour and Business Centre for models. We engaged in some consultation around government structure. And that's where we are today.

There is a commitment, I think, from both business and I know — I know, I don't just think — I know that there's a commitment from both business and labour to engage, to deal with these very, very pressing issues that are in front of us.

We think that we'll see five or six themes emerge out of the structure of this new board. We've done some comprehensive study. We've provided copies of our analysis and our task force reports to various people. And we're looking forward to engaging in this dialogue, taking a look at labour market information, focusing on youth engagement, Aboriginal employment development, along with a number of other initiatives like essential skills, work closely with literacy groups and the schools. So I think that there's a real positive here.

And it's important from our perspective to continue to foster a dialogue between business and labour on areas where we agree. It's easy to identify areas where we disagree, but it's not always easy to find areas where we do agree. And we should seize those opportunities to work together on areas where we agree. Because the ultimate beneficiary of business and labour working together, with the assistance of government to facilitate that dialogue, are the citizens of the province of Saskatchewan.

And so I think that that's basically my assessment of the underlying theme of where we are today. Certainly I'm sure Holly can add, and I encourage her to do that. I hope that that kind of lays the groundwork of, at least from my perspective, what got us to where we are today.

Ms. Hetherington: — Perhaps I'd just like to add . . . Larry's done a fine job of taking you through our life over the last 18 months. Coincidental with the work that we were doing as Co-Chairs of the SLFDB, we were fortunate enough to become involved with the Canadian Labour and Business Centre on an initiative that they were rolling out across the province called the workplace partners panel. And their initial pilot had been in the Atlantic provinces, and they approached us to ask if the SLFDB would in fact be their second pilot in Saskatchewan.

And the topic of the deliberative dialogue work was responses or the impact and solutions to the aging workforce. And the reason I say we were quite fortunate and it was quite coincidental because that work entailed opinion polling — both across the country and within our region here — qualitative research, deliberative dialogue with stakeholders across the province, and then bringing that all together. And we presented in Winnipeg to the CLBC [Canadian Labour and Business Centre] board in June of this year.

And the purpose it served for us was to validate all the work that we had done as a task force here locally on behalf of SLFDB. And quite reinforcing for us was the fact that the number one priority of the citizens of this province was to see a coordinated approach to labour market issues of a triumvirate of business, labour, and government. It was number one by a long shot. Also high on the agenda were the issues of labour market intelligence, were the issues of Aboriginal engagement and youth engagement. So once again the outcomes very much paralleled the work that we had done in-house.

Mr. Elhard: — Do you have for our understanding an idea of what kind of outcomes you expect from this venture? It's somewhat unique I suppose, given the fact that the working relationship between business and labour is going to be so close on this. Have you identified some specific outcomes that you would like to see achieved through this commission?

Ms. Hetherington: — We've articulated in some of the background work that we've done the key areas of board engagement. They include youth, Aboriginal, labour market intelligence, workplace essential skills, and labour market issues such as competitiveness, productivity, training system, and supply-demand imbalances. But ultimately our role is to conduct research and provide evidence-based policy advice to the Minister of Advanced Education and Employment.

Mr. Elhard: — I know this is possibly a difficult marriage in some respects, one that's vital but difficult. I can appreciate the, you know, the challenges of this kind of work going forward given the disparate backgrounds here. Are you, as representatives of your individual sectors, are you comfortable that you have the support needed from business and organized labour to make this work?

Mr. Hubich: — I think we do. Certainly it will never be unanimous, and there will be people who aren't comfortable with the process. I think that the previous board experienced similar challenges.

One of the things that we did in the previous board — and I would advocate we should do it as well here — is that in areas where we disagree, we decided not to deal with those issues. We keep them outside the room and we work on areas where we agree. That minimizes the potential for, you know, conflicts emerging in areas where you're trying to work together. I just think that there's a whole bunch of upside.

There are other examples of where business and labour are working together on a number of similar initiatives and so there's lots, there's lots of opportunity for us I think to find areas where we can work together and compromise. And we'll just have to work our way through with those challenges where there are individuals or groups within our own organizations who challenge the process that we're in. It's not going to be easy, I don't think, but certainly the commitment's there at the very senior levels of the federation of labour and at the very senior levels of the chamber to engage in this process and to give it our best shot. And so I'm encouraged by that.

Ms. Hetherington: — In any major change process, you require some sort of impetus to get ... some sort of change imperative to get it moving. And fortunately for us the timing is

such that the skills shortage, the labour market issues that our constituents in the chamber are facing right now, are certainly providing that sort of incentive to look at how we work in different ways. As well, over the past 18 months we've made a very conscious effort as the task force proceedings have progressed to report back and get supportive motions at each step in the process from our respective organizations to make sure that we didn't get to a point where we were out on a limb too much so that they weren't supportive, informed, and condoning where we were heading with this process.

Mr. Elhard: — I'm glad to hear that because I think that's important that this particular piece of legislation doesn't come as a surprise to anybody, that there has been a support base built as this idea has moved forward. That'll help mitigate some of the difficulties that might otherwise have been experienced as a result of this.

And I guess I want to underscore the, you know, the importance of this type of activity. We're talking about jobs in our economy now that are going unfilled because of a labour shortage, and I think the government's own estimates are somewhere in the 12 to 15,000 jobs currently unfilled. And then when you look at the demographics of the province and the — I think you alluded to it, Holly, earlier — the potential for retirement among the wave of baby boomers that is about to hit our economy and the fact that we're not unique in that regard ... We might be, you know, we might be hit harder than others because of our provincial demographic but we're not unique. And the challenges that will present for labour opportunities moving forward, whether we'll have enough warm bodies to fill all of the jobs, is a huge impediment to our economic success going forward. Where it might have been investment capacity or some other problem affecting our success, it looks like in the next little while for sure, it'll be labour that will be the number one factor which will limit and/or underscore success. So I think, you know, given those kinds of circumstances, legislation and a commission like this that can address those issues is going to be very valuable and very important to our success.

I don't think we want to belabour this and I appreciate the time you've given us and for making yourselves available to the committee today. I think it's important to know a little bit about the history and the way the idea was developed, where it came from, and how it's proceeded. And I'm pleased to have the assurance that you have engaged your respective organizations and groups in this process, because that's very important to the long-term success of the commission, I think. Thank you very much.

Hon. Ms. Atkinson: — Just before we go through the Bill, I just want to thank the officials and Ms. Hetherington and Mr. Hubich for all the work that they've done on this Bill. This is very much a collaborative effort.

And I'd just like to make this point. Saskatchewan has the youngest demographic in the country, and that demographic are Aboriginal young people. We have a huge opportunity here to replace our aging workforce with young Aboriginal people.

And so I'm pleased that while our two guests were undergoing their deliberative process, that they included Aboriginal ... Métis and First Nations people. And I think that if we can

engage First Nations and Métis people . . . and I also wanted to say that that is certainly what the commission, Mr. Hubich and Ms. Hetherington, have said. They're going to engage Aboriginal people. I think we have a huge opportunity not to have the same types of labour shortages as other parts of country.

The Chair: — Thank you very much, Madam Minister. On behalf of the committee, I would like to thank the minister and her officials and our special guests for attending today. I recognize the member from Cypress Hills.

Mr. Elhard: — I wasn't quite done actually. I was just done with our guests. I have a few other questions, but they won't take very long. So if we can attend to them quickly, I would appreciate that.

The Chair: — Thank you very much. I recognize the member from Cypress Hills.

Mr. Elhard: — Thank you, Mr. Chair. The couple of other questions that I wanted to touch on briefly was the cost of setting up this commission. I think the Department of Advanced Education and Employment had allocated about \$300,000 initially.

Hon. Ms. Atkinson: — . . . the end of the year, it's our anticipation that the cost of the commission going forward will be \$294,325 and then of course as part of our budget process for next spring we'll be putting forward a larger allocation.

Mr. Elhard: — Can the minister give us an estimate of what she anticipates the cost of the commission will be on a go-forward basis annually.

Hon. Ms. Atkinson: — I can't do that at the moment because I do not have the approval of my colleagues, but one can assume that we're talking about December, January, February, March — four-month period — at 294,325. The assumption is that it will be at least three times that.

Mr. Elhard: — For the sake of convenience I'll extrapolate that to about \$1 million a year.

Hon. Ms. Atkinson: — For convenience, certainly.

Mr. Elhard: — Okay. Madam Minister, under the section no. 15 where it talks about employees it says:

The commission may . . . employ any employees that it considers necessary for the conduct of its operations, including a chief executive officer.

I would assume that given the fact that we're moving this legislation forward that there is an attempt already under way to find that chief executive officer.

Hon. Ms. Atkinson: — We want to get the board in place and then obviously it'll be up to the board to do a search for that individual who will become the CEO [chief executive officer] or president of the new organization.

Mr. Elhard: — And can the minister identify the anticipated

number of employees the commission will hire upon its establishment?

Hon. Ms. Atkinson: — I think there'll be a CEO, an admin person, some policy people. I think it'll be up to the board to determine how many people they will need to have in place, but obviously they will need to engage some fairly sophisticated people in terms of understanding the province and the labour market and the various sectors. So I can't tell you with any kind of precision how many people, but I would presume a minimum of three and I would suggest more.

Mr. Elhard: — The \$1 million that I extrapolated from our earlier exchange may not go quite far enough. And I understand that there are other avenues for generating income and resources for the commission. According to the legislation they can accept bequests and solicit support and that type of thing. Do you anticipate that happening?

Hon. Ms. Atkinson: — Well I think obviously their ability to raise money and solicit bequests will depend upon the acceptance of the organization across the province. My sense is that we have a real partnership between business, labour, and the training institutions. And I would suggest that as the commission grows that there'll be more opportunities to generate some income.

Mr. Elhard: — Mr. Chair, I have no further questions. Thank you for this extended discussion. Madam Minister, thank you to you and your officials and our guests today for your candour and direct answers.

The Chair: — Thank you very much. Seeing no further questions, clause 1, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 23 inclusive agreed to.]

The Chair: — Thank you very much.

Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows:
An Act respecting the establishment of the Saskatchewan Labour Market Commission.

Can I have a member move the Bill without amendment?

Ms. Hamilton: — I would move we report the Bill without amendment.

The Chair: — Thank you. Ms. Hamilton moved we report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Thank you. The next item before the committee will be consideration of Bill No. 1, The Labour Standards Amendment Act.

**Bill No. 1 — The Labour Standards
Amendment Act, 2006**

Clause 1

The Chair: — All right, committee members. I'd like to call the committee back to order. We have with us this afternoon now the Minister of Labour. The Bill we're dealing with is The Labour Standards Amendment Act, 2006. Mr. Minister, would you like to introduce your officials to the committee?

Hon. Mr. Forbes: — Thank you very much, Mr. Chair, I sure would. With me today is Jim Nicol, assistant deputy minister for Labour on my left; on my right, Mary Ellen Wellsch, manager legal policy and legislation; and as well with us is Eric Greene, director of labour standards branch.

The Chair: — Thank you very much, Mr. Minister. Do you have an opening statement?

Hon. Mr. Forbes: — Actually I'd just like to say just a few brief remarks about Bill No. 1, a very important piece of legislation.

This legislation introduces Saskatchewan's 10th public holiday, Family Day, to be observed annually on the third Monday in February. Family Day is one more way to ensure our families feel real benefits from Saskatchewan's strong and prosperous economy. Now we recognize both with the addition of Family Day, a reward for Saskatchewan people and a move towards work and family balance. And let us not forget that balance is essential for the productivity of this province. Creating a healthy work-family balance facilitates easier staff recruitment, higher retention rates, lower absenteeism, and a stronger commitment to employer organizations.

Statistics Canada estimates that stress-related disorders due to overwork alone costs Canadian businesses \$12 billion a year.

Now, Mr. Chair, our economy is thriving. In fact a September 7, 2006 story in the *Leader-Post* reported and I quote:

... productivity (as measured by GDP per employed person) has increased 23 per cent in Saskatchewan from 2000 to 2005, compared with about 16 per cent nationally during the same period.

Mr. Chair, it is my honour and delight to be here with this committee to discuss any questions they have about Bill No. 1, The Labour Standards Amendment Act, 2006. Thank you.

The Chair: — Thank you very much, Mr. Minister. I'll open the floor to questions. I'll recognize Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Minister, I'd like to welcome you and your officials here this afternoon. We have a few questions about Bill 1 although I don't anticipate that we'll be here just too long in discussing it. But there are a couple of areas of concern that ... or at least there are some questions that we have about this Bill and I'm sure it is our hope that you'd be able to provide us with the answers.

Minister, you mentioned in your brief remarks that this is an

important piece of legislation and I guess what I would like for you to do is indicate what type of consultative process you undertook before this Bill was drafted and introduced. Did you meet with interest groups that will be directly affected by this legislation? If so, who were they and those sorts of things? If you could just give us a brief summary of the consultations that you may have done.

Hon. Mr. Forbes: — Thank you very much. And it's an important point that we know what the thinking is in Saskatchewan around our labour legislation, and particularly around work and family balance. And also in terms of the kind of new initiatives that we might do to make sure that Saskatchewan is the best place to work.

In specific terms of this legislation, we did not have specific consultations but what we did do and what I think that is fair to say is that over the course of years, and of course of my time, we're very aware of the different perspectives that stakeholders in the labour world have concerning this particular initiative. We were very well aware of some of the concerns around costs. And comments since that point of time has been, you know, it's been consistent with what we thought certain stakeholders would say. As well, we were aware that there are stakeholders out there that advocated very much that work-family balance is a very important issue, and that we needed a 10th holiday. And that was borne out as well with statements following the announcement.

So at some point a decision has to be made. And our Throne Speech was very clear that we wanted to make sure that Saskatchewan residents feel real tangible benefits from our thriving economy. And we felt certain this was the thing, the right thing, the appropriate thing for this government to do, and in that that has been borne out.

Mr. Hart: — Thank you, Minister. So what I heard you say is that you did not undertake any formal process to consult with stakeholders and the interest groups that will be directly affected. I can imagine that you ... I mean, a number of these organizations and groups have certainly made their views known since this Bill was introduced.

Did you or any of your cabinet colleagues do any type of work as to what the additional cost of this holiday would be, even within the civil service? You know, it's another statutory holiday. There are some essential services that need to be ... must be maintained. There is some additional costs. What work was done in that area to look at the additional cost to government and to related groups like health regions and those sorts of organizations?

Hon. Mr. Forbes: — Yes, we did do costing. The department did do some costing on what the impact would be, and I can share some of those numbers with you if you'd prefer me to go through that.

We went through it, what would be ... what's the average weekly cost, the salary cost here in the province. And we came up with the average industrial wage is about \$694.14 per week. When we factored in the cost of what would be additional holiday costs, it's about \$69.3 million through the provincial economy. Some of this would be lost productivity — people not

in the workplace, but being paid as part of the regulations. Others will be in the workplace and therefore will have to be paid their salaries accordingly, such as the hospitals and jails and that type of thing.

We broke it down as well to what would be the cost to businesses in the private sector versus what would be the cost to the public sector. The cost to business is approximately two-thirds of the 69 million, or about \$40.5 million. The cost of governments in the province is about \$20.2 million.

Mr. Hart: — Thank you, Minister. Minister, some of the private sector may be able to recoup some of those costs through passing those costs along. Ultimately the consumer will end up paying those costs. However in the public sector, there really isn't . . . and I should clarify that. In the private sector not all businesses will be able to do that so the employers will have to absorb those additional costs and so on. And as I said, I know that representatives of those groups have expressed their concerns, and I'm sure you've heard them. However in the public sector, whether it be your government or whether it be municipalities, there are, you know, there are those additional costs as you said, at about \$20 million.

Let's look at the health regions, for instance. I mean they will be impacted in a fairly significant way. Health care goes on 24-7. Have you been in discussions with the Minister of Finance and the Minister of Health? Are there plans for additional funding? Is the Finance minister going to help the Health minister out with those extra costs? You know, I mean it's a result of your legislation, Minister, and you know, I think the people of this province are asking, you know, where's that additional money going to come from to look after the costs in the health care sector? Or will we see some reduction in the standard of care?

Hon. Mr. Forbes: — Oh you won't see a reduction in service and care. That is a definite. And it's our intention, and of course, it's . . . We cannot speculate on what might be in the budget, but clearly, you know, this is a government decision. And of course we all know . . . But the fact of the matter is our economy is thriving, and we're seeing a situation where we want to make sure all people in Saskatchewan see real benefits. And because of that we were able to announce some very exciting initiatives in the Throne Speech that will help out business, will help out the workers, and I think this is a good thing. So we're seeing a province, it's just thriving. The economy is booming.

And the other thing is, and it's just something that we should not . . . and I alluded to this in my opening remarks, the cost of that going from January 1 until Good Friday. This is something that I think people deserve. And Saskatchewan winters are long and hard. We know that. And so in fact, it will be a positive. And I think that from the general comments we've had, they've been generally positive. People think it's about the right time to do this.

Mr. Hart: — Well, Minister, I certainly can't argue with you that our winters can be long and particularly that time frame between early January and Easter. I know the dog days of winter can be pretty long and I think the majority of people, you know, certainly do look forward to a bit of a break in that area.

My colleague, the member from Canora-Pelly, in his remarks to this Bill outlined some concerns that he had around . . . with school divisions and, you know, the school boards having to plan for an extra holiday which will be causing them some concerns this year because the school year was already set prior to this Bill coming forward and that sort of thing. So they're going to have to deal with this extra day off.

But getting back to the extra costs to governments, municipalities are another level of government that will incur extra costs. We look at policing costs, you know, firefighters, you know, that whole area of public safety, maintaining our streets and our roads, all those sorts of things. And that will be an additional cost that they will have to look after and they would, I'm sure, be looking to your government to help them with that additional cost. However as I said, I mean overall — and I certainly agree with you — there is a cost to the stress of dealing with family members and the workplace. And for those of us that are in that sandwich generation where we have aging parents and we have grandchildren that . . . and those of us, those people that are somewhat younger have their own families to look after, yes there certainly will be some benefits. And I guess I would ask is your department, are you prepared to monitor the effect of this additional holiday and try in some way to measure the positives of an additional holiday?

Hon. Mr. Forbes: — One of the things . . . And I would say that Saskatchewan is a real leader in terms of work-family balance issues and of course our unit here has done an awful lot of good work in that area, and in fact has done work that is recognized nationally.

We have not set up any sort of formal research on this but it would be one that I think that we'll be doing a lot of work. And a lot of people will be looking at the province and saying, you know, what are the positive outcomes? What are the challenges, but what are the positive outcomes for this? Because we know that there is the challenge as you've alluded to, especially with older folks and with looking after seniors, those challenges we are now facing. So we'll be watching this, monitoring this very closely, yes.

Mr. Hart: — Well, Mr. Chair, I have no other questions at this time. I'd like to thank the minister for the answers that he has provided and we feel that this Bill can move forward.

The Chair: — Thank you very much. Seeing no further questions, I'd like to take this opportunity to thank the minister and their officials and for coming before the committee today. Clause 1, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 12 inclusive agreed to.]

The Chair: — Thank you very much.

Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 1, An Act to amend The Labour Standards Act and to make consequential amendments to other Acts and

Regulations.

Could I get the member to move the legislation without amendment?

Hon. Mr. Lautermilch: — So move.

The Chair: — Thank you very much. Moved by Mr. Lautermilch. All in favour?

Some Hon. Members: — Agreed.

The Chair: — Thank you.

Bill No. 29 — The Labour Standards Consequential Amendments Act, 2006

Clause 1

The Chair: — The next item for the committee is the consideration of Bill No. 29, The Labour Standards Consequential Amendments Act, 2006. Mr. Minister, I see you have the same officials with you for this piece of legislation. Do you have any opening comments?

Hon. Mr. Forbes: — On this particular piece, no.

The Chair: — Okay, thank you. Are there any questions? Seeing none, clause 1, is that agreed?

[Clause 1 agreed to.]

[Clauses 2 to 4 inclusive agreed to.]

The Chair: —

Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to make consequential amendments resulting from the enactment of The Labour Standards Amendment Act, 2006.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Could I get a member to move that we report the Bill without amendment?

Hon. Ms. Higgins: — So move.

The Chair: — Moved by Ms. Higgins that we report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Thank you very much. All right. That concludes our consideration of the Bills before us today. Once again I'd like to thank the minister and his officials for coming before us.

The next item of business before the committee is consideration of the estimates for the Department of Agriculture and Food.

**General Revenue Fund
Supplementary Estimates — November
Agriculture and Food
Vote 1**

The Chair: — All right. We have before us the supplementary estimates for the Department of Agriculture and Food, vote 1 in the amount . . . (AG08) in the amount of \$60,000,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — We have (AG03) in the amount of \$1,500,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — And we have before us financial programs (AG09) in the amount of \$5,130,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Thank you very much. For the Department of Agriculture and Food, \$66,630,000.

Be it resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums for Agriculture and Food, \$66,630,000.

Is that agreed?

Some Hon. Members: — Agreed.

[Vote 1 agreed to.]

**General Revenue Fund
Supplementary Estimates — November
Environment
Vote 26**

The Chair: — Okay. The next item before the committee is consideration for the estimates for the Department of the Environment. Environment, vote 26, is before the committee. First item is (ER10), fire management and forest protection, in the amount of \$900,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Next item is fire capital in the amount of \$7,000,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — And the last item is planning and risk analysis (ER14) in the amount of \$5,000,000. Is that agreed?

Some Hon. Members: — Agreed.

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2007, the following sums for the Environment, \$12,900,000.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Could I have a member move?

Hon. Mr. Lautermilch: — I so move.

The Chair: — Moved by Mr. Lautermilch. All in favour?

Some Hon. Members: — Agreed.

[Vote 26 agreed to.]

**General Revenue Fund
Supplementary Estimates — November
Saskatchewan Infrastructure Fund
Vote 78**

The Chair: — Thank you. And the final item before the committee is the Saskatchewan Infrastructure Fund which we . . . It's statutory so we don't have to vote it off, but just for the information of the members.

[Vote 78 — Statutory.]

The Chair: — So the final item we have to deal with this afternoon is consideration of the sixth report of the standing committee. Has it been distributed for members? All right. Do we have a member prepared to move the report?

Ms. Hamilton: — I would move the report.

The Chair: — Thank you very much. Ms. Hamilton will move the report?

Ms. Hamilton: — I would move the report.

The Chair: — Thank you very much. Ms. Hamilton will move the report. All right. The motion before us is:

That the sixth report of the Standing Committee on the Economy be now concurred in.

Is everyone in agreement?

Some Hon. Members: — Agreed.

The Chair: — That's carried. We now need to entertain a motion to adjourn. Moved by Mr. Weekes that we do now adjourn. All those in favour?

Some Hon. Members: — Agreed.

The Chair: — Carried. Thank you very much, committee members, for your efforts this afternoon in making this an efficient a meeting as possible.

[The committee adjourned at 16:12.]