



# **STANDING COMMITTEE ON THE ECONOMY**

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## **STANDING COMMITTEE ON THE ECONOMY**

Mr. Gene Makowsky, Chair  
Regina Gardiner Park

Mr. Buckley Belanger, Deputy Chair  
Athabasca

Mr. Steven Bonk  
Moosomin

Mr. Bill Boyd  
Kindersley

Ms. Lori Carr  
Estevan

Mr. Delbert Kirsch  
Batoche

Ms. Laura Ross  
Regina Rochdale

[The committee met at 13:06.]

**The Chair:** — Good afternoon, committee members. It's nice to be back in room 8 once again, continuing with the Economy Committee, as we consider estimates for several different ministries today. We have SaskBuilds here, I will note for the record. We have one substitution and that is Ms. Sproule once again for Mr. Belanger. And I see Ms. Chartier is here as well to maybe ask some questions on our committee.

I'll just mention maybe if I can get the committee's permission, it's a warm day here in beautiful Saskatchewan and this room is noted for getting warm at times, so I think if we could maybe take off our jackets if members so wish to do. I think we'll allow that today if that's okay?

[Interjections]

**The Chair:** — Good stuff. It wasn't an official motion, but we'll do it anyway. So as I mentioned we're considering the estimates for SaskBuilds Corporation.

**General Revenue Fund  
SaskBuilds Corporation  
Vote 86**

**Subvote (SB01)**

**The Chair:** — We will now begin our consideration of vote 86, SaskBuilds Corporation, subvote (SB01). Of course the minister is here with his officials. So I'll turn the floor over to you, Mr. Minister, for any opening comments you may have, and maybe introduce the folks you have here with you this afternoon.

**Hon. Mr. Wyant:** — Well thanks very much, Mr. Chair. Well let me first introduce the officials that are with me today: to my left, Rupen Pandya, president and chief executive officer of SaskBuilds; and to my right, Teresa Florizone, chief financial officer. And just behind me to my left: Ron Dedman, Miguel Morrisette, Regan Seidler, Sophie Ferre, Alicyn Miller, Andrea Mulholland, and Brett Butler.

Well thank you, Mr. Chair, for allowing us to make a couple of opening comments before we get into questions. As the Chair of the SaskBuilds board, it's my pleasure to present the corporation's budget for 2017-18. But before I begin, as I've mentioned, I've introduced a number of officials who are with us today, and as they're called upon to answer any questions, we'll have them introduce themselves again. I do want to thank them for putting their talents into public service and for being here with us to assist me today.

I'd also like to congratulate them on the year that they've had. In October SaskBuilds was recognized as among the hemisphere's pre-eminent infrastructure agencies. They were awarded the silver medal for Government Agency of the Year in the Americas at the 2016 P3 [public-private partnership] awards. In winning, they were honoured over worthy public sector counterparts including: the national agencies of Brazil, Columbia, and Honduras; and the P3 Authority of Maryland; and the city of Edmonton's P3 branch. We're very proud of that accomplishment.

The breadth of the nominees speaks to the maturity of the P3 market. While Canada alone has over 250 projects including those that we just finished in Regina and Saskatoon, it just shows how well recognized the P3 model is worldwide.

The focus of this year's budget is on meeting the challenge proposed by low resource revenues. Just a few weeks ago, a CUPE [Canadian Union of Public Employees] senior economist, Toby Sanger, released a report on the impact of deteriorating commodity prices. And I quote from CUPE: "There's little question about what has caused that. Saskatchewan's revenues from non-renewable resources are expected to have dropped in half in two years."

Clearly Saskatchewan's deficit hasn't been caused by excessive overall spending but by a shortfall of revenues. The government is prepared to meet the challenge this poses and SaskBuilds is no exception. With a total budget of \$5 million and only 23 FTEs [full-time equivalent], this small but capable group is overseeing a portfolio of more than \$3 billion in publicly owned assets, providing advice across government on new projects, and transforming how the system purchases billions of dollars in goods and services. Their output is all the more remarkable considering the whole organization is less than five years old.

Their first project, The Meadows, opened on time and on budget in May. This was also the recipient of two major awards this year. In November it won the silver award for infrastructure at the national conference of the Canadian Council of P3s. Two days later it was announced that the team had won the Premier's Award for Excellence in the Public Service. The place is by all accounts a great success. Jamie LaMotte, continuing care assistant from The Meadows said the following, and I quote:

Moving over to this whole new idea of care was exactly what I had in mind when I first decided to become a CCA. We get a chance to really get to know the residents and make and them us. The homelike setting with a family of residents and staff makes coming to work a pleasure.

All other P3 projects remain on time and on budget as well. In North Battleford, a 33-year DBFOM [design, build, finance, operate, maintain] is bringing us a truly innovative facility in the form of an integrated mental health hospital and correctional facility. It's particularly important to me as the Minister of Justice. As a country, we've known for years that we need to provide better help to those living with mental health and addiction needs. The hospital in North Battleford promises a revolution in care, not only providing world-class mental health services but also a genuine breakthrough in tackling the root causes of crime and victimization. It will, I hope, be a model for other facilities in Canada's future.

East of the city, we're only two months away from cutting the ribbon on new overpasses.

And in less than two months, construction will finish on the historic, concurrent build of 18 new schools.

Of course, P3 oversight is just one of SaskBuild's plays. In the old days, when a neighbourhood looked like it needed a school, you built a school. As neighbourhoods get older, the school

would slowly empty out, fall apart, and that was that. We know now infrastructure is about much more. SaskBuilds leads an integrated capital planning process, looking at long-term trends in community needs, options for asset recycling, maintenance requirements, life-cycle costs, and more. Every project manager knows changes are easier and cheaper to make the earlier you identify them. That's why we're putting resources into upfront planning. It's one way where we are meeting the challenge of low resource revenues.

This fall, the Canadian management consultants released a study entitled, *The Role of Infrastructure Investment in Sustaining Saskatchewan's Growth*. In their words:

Infrastructure is at the core of an effective functioning economy . . . By investing now, the future productivity enhancements created through . . . infrastructure investments will help the economy pay for the necessary infrastructure improvements.

They pointed out that significant effort was needed to fill the backlog of the 1990s, when far too little was built, and encouraged us to continue investing in capital projects.

On April 18th the Conference Board came to a similar conclusion. "Ample and veridical evidence suggest that public infrastructure will bolster economic activity," they wrote. Similar to the CMC [Canadian Association of Management Consultants], the Conference Board highlighted the lasting effect of under-investment:

. . . the level of public investment spending that occurred in the province from the early 1900s through to 2007 was not sufficient to grow the value of the real public assets per person . . . Over this period, investments barely covered depreciation and population growth. However, the acceleration in spending since 2007 has helped turn . . . this around.

Even the recent CUPE report supports government investments into infrastructure. Analysis provided by CUPE shows that, out of all possible options for government spending, investment in infrastructure has the highest possible economic impact. By their count, every \$1 million invested into projects like new roads and schools triples into nearly \$3 million in economic growth. This makes projects like the Regina bypass and other P3s very important, especially in a time of low oil prices. With this budget, \$3.7 billion will be invested into Saskatchewan's infrastructure. If CUPE's analysis is correct, this underpins \$11 billion in economic growth, and that, in the end, is the SaskBuilds vision.

[13:15]

Lastly I'd be remiss, Mr. Chair, if I didn't point out that within the \$5 million budget happens the important work of Priority Saskatchewan. Two years ago we announced Priority Saskatchewan action plan to wide support from industry; that support continues to this day. Last month the Saskatchewan Chamber of Commerce sent out an article to its members noting that "The Priority Saskatchewan agenda has taken important steps forward." More than 250 private sector lenders have attended training sessions to learn about best value and the

new procurement guides we have online, in addition to more than 400 public servants. By investing in new roads, schools, and health facilities, we're keeping our fundamental promise to Saskatchewan people to keep Saskatchewan strong.

In a moment, Mr. Chair, I'll be pleased to receive questions from the committee, but I would like to make first two addenda. The former Highways minister, Mr. Belanger, was in committee twice this week to talk about the bypass. Notwithstanding the fact that planning for this project was under way while he was in office, he acknowledged much of his information comes from the Why Tower Road? lobby group. That perhaps explains why, on Tuesday night alone, Mr. Belanger made 30 statements about the bypass that are, in our view, patently and demonstrably false.

I'd therefore like to start by putting correct information on the record, and for the sake of time I'll group those comments by theme. To begin, he intimated many times a preference for a northern bypass route and characterized the present route as a mistake. Mr. Stearns, a veteran highway engineer, explained well the inadequacy of a northern route. I'd summarize by reiterating that the current southern route is the right decision. It will accommodate 13,000 more vehicles per day than what the opposition wants. Moreover only the southern connection gives our export economy access to Highway 6 South and its trade links to the United States.

Using an unknown report, Mr. Belanger made a number of claims regarding costs and payments. Bypass costs, Mr. Chair, have been fully disclosed. That's why we released the value-for-money report by Ernst & Young. Moreover P3s have the traditional mechanism of transparency and are booked in summary financials in accordance with public sector accounting principles. In 2015 we committed to payments worth \$1.2 billion for construction, and 1.88 for the entire DBFOM project. That includes maintenance, interest, design, risks, snow removal, and more. Those payments were made over 30 years to ensure our private partners meet their contractual obligations until the end of the contract.

Mr. Chair, the Highways critic made an assertion that taxpayers will be paying a lot of extra costs for the bypass. Let me once again point the opposition to the work of Ernst & Young. Before a shovel hit the ground, we analyzed which method was best. We looked at risks, financing, maintenance needs, everything that formed part of the project, using a process the Provincial Auditor described as effective. We then compared the net present values of those two options. In the Ernst & Young report that's online, it shows that the P3 to be \$300 million, \$380 million cheaper. It's hard to argue against one of the largest, most respected auditing firms in the world.

In a lengthy speech, Mr. Belanger asserted the tail was wagging the dog and the P3 was only used to satisfy Stephen Harper. So I'll modify my previous comments, Mr. Chair. The P3 not only delivered savings worth \$380 million, but also gave us access to federal funding from P3 Canada. So going forward, we'll refer to savings of \$557 million instead. If anyone would like to read up on it, it's on page 24 of the Ernst & Young report.

But, Mr. Chair, my personal favourite on Tuesday night was Mr. Belanger's repeated cited land acquisition costs of \$200

million. Now that's interesting because the night before he clearly said and I quote:

The overview I have on this, and again correct me if I'm wrong as I read it out. It's important that you acknowledge if this is in fact the case: 2,100 acres of land has been acquired from over 100 landowners . . . at a current cost of \$82.7 million . . .

And then he repeated it in the form of a question, "... for a grand total of 82.7 million that was basically attributed to land cost for 100 landowners . . ." And Highways confirmed that that number was accurate. So to repeat, no, land costs are not \$200 million nor are they 10 per cent of the project costs.

They tried to peg this error on SaskBuilds, but as Mr. Belanger knows, we have no role in land acquisition whatsoever with respect to the bypass.

Mr. Belanger referred to the project as 54 kilometres of highway and was rightly called out by Minister Marit. That's because he was off by a factor of nine. When bypasses, twinning, service roads, and everything else is taken into account, the bypass represents 464 kilometres of single-lane highway, long enough to reach from Regina to Medicine Hat.

Mr. Belanger also suggested a number of services provided by local companies, fuel for example, are not construction related. One way a P3 keeps construction on schedule is by putting fuel into their machines. Their Hitachi excavators weigh 192 tonnes and are two stories tall and definitely require fuelling. I'd further point out that fuel was being purchased locally through partnerships with groups like Cowessess and Sakimay First Nation.

All 97 local firms listed by Minister Marit are part of the construction process. And on repeated occasions Mr. Belanger made the false assertion that the bypass is a project run and benefiting a foreign company. Yes, Mr. Chair, the Canadian subsidy of a French company is part of that build; we also have 97 Saskatchewan companies.

This summer more than 800 workers could be on site to get this project built on time — 800. Vinci has 20, and they've all moved their families to Saskatchewan. Twenty out of hundreds, and it's the only name we ever hear from the opposition. They only spent time promoting the brands of good, local companies, Mr. Speaker.

Now, Mr. Speaker, we don't have time unfortunately to go through every misclaim. I will end simply by saying that an unprecedented amount of information on these projects, literally thousands of pages, is available on the SaskBuilds website, Mr. Speaker, and with that we're happy to answer any questions that committee members have.

**The Chair:** — Thank you, Minister Wyant, for those remarks. Some of the accomplishments of your organization as well as that clarification from the other night, I appreciate that. I neglected, as I usually do, to mention that we began at 1:07 and we're scheduled here for three hours. So now I'll open it up to members for any questions the committee might have. I recognize Ms. Sproule.

**Ms. Sproule:** — Thank you very much, Mr. Chair. Thank you, Mr. Minister, for those opening comments and for getting some things off your chest obviously that were burning issues for you.

I think initially what I would like to do is really congratulate SaskBuilds on the awards that you've received last year. Obviously it's a testament to the work of you as public servants for the people of Saskatchewan and I think really want to congratulate you for the good work that you're doing as public servants and bringing Saskatchewan's name forward internationally. I mean obviously international awards are not insignificant, so congratulations to you for that.

I have a few things I want to cover before I turn it over to my colleague today, but I think I'd like to start with just some comments from last year's committee, as I often do. On June 21st, Mr. Minister, we had asked you to provide, table a list for us. That's on page 91 of last year's Estimates. I just want to go back, it was about companies that are involved in some of the projects you're doing. You said there were 14 local Saskatchewan . . . I just want to make sure I . . . This, I believe, is the Saskatchewan Hospital discussion that we had, and you had indicated 14 local companies and then Graham Construction. So we asked for a list of those companies, and we checked with the Clerk's office and we hadn't received that list yet. So I'm just wondering if I could ask you again to table that list for the committee.

**Hon. Mr. Wyant:** — We'll make sure that you get that list.

**Ms. Sproule:** — All right. And you also indicated that those 14 companies represented 67 per cent of the total businesses. But I guess my next question is, what is the total percentage of the work that those 14 companies are doing?

**Hon. Mr. Wyant:** — Well as you know, government has a contract with the project consortium, so we wouldn't be able to tell you in terms of the percentage of work that was being done by those companies. We only have a list of the companies that are doing the work. The contracts, those contracts are with the consortium and not with the government.

**Ms. Sproule:** — Is that something that you would be able to ask the consortium for, is the percentage of local . . . the work that local companies are doing?

**Hon. Mr. Wyant:** — We can certainly ask them.

**Ms. Sproule:** — Thank you for that. Another thing I had raised last year was that I was looking in your annual report, and almost always, most corporations or agencies list the salaries of employees and contracts over \$50,000. Now this isn't something that's available online, and I had asked for you to provide that last year. I don't think we got it. And then when I looked at the '15-16 online annual report, it's missing there as well. So is that something you could table with the committee maybe for the last four years since you've been in existence?

**Ms. Florizone:** — Teresa Florizone. And just to respond to that, the requirement of a treasury board Crown is to produce financial statements and an annual report annually and to produce the annual report to the Legislative Assembly. And the

requirement at that is to actually have our list of 50,000-and-greater vendors and our payees to the Legislative Assembly as part of that package, and we do that annually.

**Ms. Sproule:** — It's not online though. Is there any reason why you don't put that online?

**Ms. Florizone:** — The requirement is to actually provide it to Legislative Assembly, so we do that.

**Ms. Sproule:** — So for every other Crown who does it online, do you know why they do it online?

**Ms. Florizone:** — You'd have to ask each of the other Crowns.

**Ms. Sproule:** — Perhaps then I should ask the minister whether he would consider sharing that information online because it's missing to the general public in that sense.

**Hon. Mr. Wyant:** — I mean, it's in the Legislative Library. I don't think we'd have any difficulty having that information online.

**Ms. Sproule:** — Thank you. Just for the purposes today then, I would like to go through the current staff that work for SaskBuilds. I believe there's around 22 people and perhaps, because we don't have that information available electronically, we could just maybe put it on the record here today. So we'll just start with Mr. Pandya as president and CEO [chief executive officer]. What is the remuneration that he received?

**Hon. Mr. Wyant:** — For 2015-16, Mr. Pandya was at \$212,712.

**Ms. Sproule:** — Thank you. I'm just going to go down the list that's available online for the staff, so Michelle Sieffert, executive assistant.

**Hon. Mr. Wyant:** — I'll let Mr. Pandya go through the list.

**Mr. Pandya:** — Rupen Pandya. Michelle Sieffert is at 75,948.

**Ms. Sproule:** — Sharon Lejeune.

**Mr. Pandya:** — Sharon Lejeune is at 64,416. Member, maybe I could just read my list, if that would be okay?

**Ms. Sproule:** — Sure.

**Mr. Pandya:** — So I'll start at the top. And if I repeat some of the ones I've covered over you can, we can move over that. Lisa Boire, 162,770; Miranda Brown, 84,564; Glenn Deck, 51,409.

**Ms. Sproule:** — Mr. Pandya, if you could just slow down. A lot of those names aren't on the list of your current employees, so I'm having trouble tracking them. If you could just slow down a little bit so I can make sure I write them down, that would be appreciated. So you said Lisa . . .

[13:30]

**Mr. Pandya:** — Lisa Boire. So this is the '15-16 annual report payee list that's submitted to the Leg Library. So Lisa Boire,

162,770; Miranda Brown, 84,564; Bukkie Coker, 51,409; Glenn Deck, 85,349; Sheila Engele, 59,633; Teresa Florizone, 157,944; Chris Hambleton, 112,050; Sarah Harrison, 135,588; Lionel Labelle, 56,524; Sharon Lejeune, 64,416; Miguel Morrisette, 130,584; Jenna Mouck, 120,087; Andrea Mulholland, 95,628; Sara Nichols, 73,959; Rupen Pandya, 212,712; Terry Schwartzberger, 54,000; Michelle Sieffert, 75,948; Kyle Toffan, 77,247; and Donna-Joy Tuplin, 146,340. And again, that was from April 1st, 2015 to March 31st, 2016.

**Ms. Sproule:** — All right. I think there's at least 8 or 10 of those folks that I don't think are presently with your organization. Is that correct? Were they laid off as a result of decline in work or why did those people depart?

**Mr. Pandya:** — No, there was no layoffs. All of the staff that have departed SaskBuilds have departed because of other public sector opportunities or other private sector opportunities.

**Ms. Sproule:** — What was the role of Lionel LaBelle with your organization?

**Hon. Mr. Wyant:** — Mr. LaBelle was initially primarily responsible for leading the Priority Saskatchewan initiative. And he was the first to have that responsibility.

**Ms. Sproule:** — Sorry, could you repeat that, Mr. Minister? I didn't get it.

**Hon. Mr. Wyant:** — He was the first to be responsible for leading the Priority Saskatchewan initiative.

**Ms. Sproule:** — And when did he start with Priority Saskatchewan?

**Hon. Mr. Wyant:** — Priority Saskatchewan, that initiative was launched in June of 2014. We don't have the exact date when he started, but it would have been September of '14 that he was engaged to lead that.

**Ms. Sproule:** — And when did he depart last year? Month is fine. I don't need the specific date.

**Hon. Mr. Wyant:** — September of '15, I think.

**Ms. Sproule:** — Thank you for that. I just want to get a better sense of how SaskBuilds is operating and the positions that you have. Obviously you're still a fairly new organization and I would imagine there's been a certain evolution over the last few years.

And I understand . . . We could maybe start with Priority Saskatchewan and who is actually assigned to those responsibilities. On your web page we have Mr. Dedman who's the vice-president, and Greg Lusk who's assistant vice-president of Priority Saskatchewan. Now last year I think you indicated Mr. Lusk was half time and he was on loan from Central Services. Is that still the arrangement for Mr. Lusk?

**Mr. Pandya:** — As part of this budget, Mr. Lusk's position was transferred into SaskBuilds, so our FTE count goes from 22 FTEs I think in the previous year to . . . for the '17-18 budget to 23 FTEs. So he's been assigned full time now to SaskBuilds.

**Ms. Sproule:** — Okay. And in terms of his remuneration, do you use the executive pay schedule that the public service uses? And if so, where does he fit in there?

**Mr. Pandya:** — So as a matter of policy, SaskBuilds follows the public sector commission's executive pay scale and Mr. Lusk was transferred over as an MCP11 [management classification and compensation plan] from Central Services. He was a horizontal transfer.

**Ms. Sproule:** — And was his position refilled in Central Services? Or is that a position that they've lost?

**Mr. Pandya:** — I'll have no knowledge of how that occurred in Central Services.

**Ms. Sproule:** — All right, thank you. And then Mr. Dedman is vice-president of Priority Saskatchewan. I believe that is the only other vice-president position you have in your organization other than Ms. Florizone. Is that correct?

**Mr. Pandya:** — That's correct.

**Ms. Sproule:** — And what level of pay would Ms. Florizone and Mr. Dedman be entitled to?

**Mr. Pandya:** — So thank you for the question. So Ms. Florizone is an MCP12 and Mr. Dedman is an employee of CIC [Crown Investments Corporation of Saskatchewan] who is seconded to SaskBuilds at 50 per cent.

**Ms. Sproule:** — And you didn't provide information on his pay when you read through the list. Is it under 50,000 then?

**Mr. Pandya:** — So I wouldn't have that . . . Oh actually, I was reading the '15-16. Just give me a moment here.

So thank you for the question. So Mr. Dedman started after '15-16 and he's not on the '15-16 payee list. The SaskBuilds portion of Mr. Dedman's salary is 86,000, approximately \$86,000.

**Ms. Sproule:** — So as you indicated, Mr. Dedman is on loan from CIC. Is this something that you see is a continuing arrangement? Are you looking to staff this position full time within your organization? And, you know, is he going back to CIC at some point?

**Hon. Mr. Wyant:** — We don't anticipate the arrangement changing, Ms. Sproule. Certainly Mr. Dedman's responsibility to Priority Saskatchewan is to deal with those issues, not only with respect to executive government, but across the Crown sector as well. So we don't have any expectations that the current arrangement is going to change any time soon.

**Ms. Sproule:** — And the work he's doing for Priority Sask on SaskBuilds, is that basically the same work he was doing at CIC or is it a significant change from where he came from? Or what he's doing for CIC in his other half?

**Hon. Mr. Wyant:** — Perhaps we'll have Mr. Dedman explain that, if that's all right with you.

**Mr. Dedman:** — When I was asked to go to Priority Saskatchewan, it was decided that my home position would be in CIC and that I would be seconded to Priority Saskatchewan, to SaskBuilds for Priority Saskatchewan on the basis that a lot of the work of Priority Saskatchewan would be work with the Crown sector. And so it's a shared role involving Crowns and ministries.

**Ms. Sproule:** — Thanks, Mr. Dedman. So in terms of the work that you do for Priority Sask, how do you differentiate that and what you do specifically for CIC?

**Mr. Dedman:** — Well the CIC portion is the work I'm doing with Crown corporations on the Priority Saskatchewan initiative.

**Ms. Sproule:** — So it's all kind of one job then?

**Mr. Dedman:** — Yes.

**Ms. Sproule:** — Okay. Who asked you to go to Priority Sask?

**Mr. Dedman:** — That's a good question. I think . . . Well there were a number of people involved, but primarily it went through SaskBuilds and CIC.

**Ms. Sproule:** — When you say SaskBuilds, is it the minister or Mr. Pandya or who particularly?

**Hon. Mr. Wyant:** — It was really a decision of executive government in terms of how we wanted to move that agenda forward on Priority Saskatchewan.

**Ms. Sproule:** — Thank you, Mr. Minister. Like, I'm trying to picture your day. Do you go half a day at CIC office and are you full time at the SaskBuilds? That's where you're located during the day.

**Mr. Dedman:** — Full time on the Priority Saskatchewan initiative.

**Ms. Sproule:** — Okay. So in terms of your starting date, did you start shortly after Mr. LaBelle left? There was no one in between you or Mr. LaBelle?

**Mr. Dedman:** — No. That work was carried by others that were in the Priority Saskatchewan group at the time.

**Ms. Sproule:** — All right.

**Hon. Mr. Wyant:** — Maybe I can just kind of clarify that. Mr. Dedman started as VP [vice-president] at Priority Saskatchewan on October 1st, 2015. So there may have been a short period of time between Mr. LaBelle's departure and Mr. Dedman coming to the office. It wouldn't have been that long.

**Ms. Sproule:** — Thank you. So who else is working specifically on the Priority Sask mandate right now?

**Mr. Dedman:** — We have five people: Brett Baker and Jim Mabee are both seconded from SaskPower. Greg Lusk, who was mentioned before, and Reg Howard, and myself.

[13:45]

**Ms. Sproule:** — So Mr. Lusk, Mr. Mabey . . . Mr. Baker I don't see on your current list of employees. Is he someone that started very recently?

**Mr. Dedman:** — Yes, in the last few weeks.

**Ms. Sproule:** — Thank you. And he's from SaskPower. Mr. Lusk came to us from Central Services. Correct?

**Mr. Dedman:** — Correct.

**Ms. Sproule:** — And Mr. Howard, where did he come from?

**Mr. Dedman:** — He was recruited from the private sector.

**Ms. Sproule:** — Now I understand that Mr. Howard has business relations with the Minister of Finance. How is that handled in terms of decision making and the files that he works on?

**Mr. Dedman:** — We're aware . . . Everyone that works at SaskBuilds declares any private sector relationships. So they're declared; they're reviewed by our legal counsel. And so those conflicts or any potential conflicts are handled in that way.

**Ms. Sproule:** — If a conflict arises, how do you conduct the meeting?

**Mr. Dedman:** — Well we would not send anybody to work on a project if there was a conflict.

**Ms. Sproule:** — All right. So we have two public servants from SaskPower, one from Central Services, one private, and I think I must've missed someone. There's Mr. Baker, Mr. Mabey, Mr. Lusk, Mr. Howard. Is there a fifth person that . . .

**Mr. Dedman:** — Yes, that's me.

**Ms. Sproule:** — Oh, yourself. Oh, okay. I thought you meant in addition to yourself. All right, Mr. Dedman. So there's basically four senior level public servants, two from SaskPower. Do you anticipate bringing people from other Crowns as well?

**Mr. Dedman:** — We don't anticipate that at the moment, no.

**Ms. Sproule:** — So for the two SaskPower folks that came through, is there particular work that you're doing with SaskPower that you felt it appropriate to second them? I assume they're seconded or however you arranged that.

**Mr. Dedman:** — Well it's SaskPower work, but it's much broader than SaskPower work. Their experience is helpful on a full range of procurement issues across ministries and Crowns.

**Ms. Sproule:** — I know we talked about this a bit last year — and I just want to find that discussion — in terms of the work you're doing with the Crowns. We didn't get into it very much, so I am really interested in a little more, maybe a fuller discussion on that.

It was on page 88, last June, when you indicated you were

working with all Crowns and all ministries. So I guess you were talking about action plan items and committees set up with the ministry and the Crown people working together. I just wonder if you could share with the committee the various projects that your five individuals are working on right now, or you and the other four.

**Mr. Dedman:** — Sure. So we have a broad range of initiatives going on. The starting point was the 13-point action plan that was developed in consultation with both people in government and in the private sector. I could go through the points of that plan if you would be interested in that.

**Ms. Sproule:** — Is that located online or in your annual reports anywhere?

**Mr. Dedman:** — It's online on the SaskBuilds website.

**Ms. Sproule:** — Then there's no need to detail that at this point.

**Mr. Dedman:** — Okay.

**Ms. Sproule:** — Thank you.

**Mr. Dedman:** — There's a lot of work associated with that, because that's in consultation with people in ministries and Crowns and the development of those different items. And then we also work with the private sector stakeholders conferring on those particular items.

One of the key pieces of the transformation action plan is training and bringing a common training approach on procurement across government. Mentioned last year was the procurement manual that was developed. That's online, and we've distributed somewhere around 600 hard copies across government and in the private sector.

We've trained close to 500 ministry and Crown staff in one-day training sessions on the procurement manual, and we've trained approaching 300 private sector people in half-day training sessions on the procurement manual. So in the last six months, training has been a key element of what we do.

We also deal with specific procurement issues that are raised by private sector stakeholders on asking about different approaches to procurement. We also have the opportunity to, again, working with ministries and Crowns on specific procurement approaches.

A lot of the work that we do is governed by trade agreements, and we also do some work on interpreting trade agreements in specific cases. We continue to meet on a regular basis with industry stakeholders as well.

**Ms. Sproule:** — Thank you very much. I recall now, looking at the new procurement handbook or whatever it is. I was going to print it, but it's over 200 pages, I believe. Is that the right document?

**Mr. Dedman:** — Yes.

**Ms. Sproule:** — Yes, so a very detailed document. I also have a



hard copy of the action plan, as you referred to, that was on the Internet. And I know I pulled a copy of it last year as well and this year, and I note that since June 21st, 2016, there's been no changes to the action plan and the action items. Do you feel this work is completed now as far as Priority Sask is concerned?

**Mr. Dedman:** — It's an ongoing process. Different parts of government are further along the path than others. The two items that have just been completed and will be going to stakeholders, we have developed a vendor performance manual, which is one of the 13 items. And we have now reduced the number of procurement templates, which when we started was somewhere over a hundred, and we've reduced that to four key templates, that again we're dealing with stakeholders. And those will be introduced by ministries and Crowns likely sometime at the end of the summer.

**Ms. Sproule:** — I'm just looking at some of the action items, and one of the things you had talked about was enhancing the SaskTenders portal. Has that work been . . . Yes, there's no change in terms of the action plan, but have you done any work on that as part of Priority Sask?

**Mr. Dedman:** — That work was being done by the three Western provinces led by British Columbia and recently British Columbia advised that they were stepping back from doing this on a joint basis. So we're looking at other alternatives now.

**Ms. Sproule:** — And was Central Services ever involved in that portal?

**Mr. Dedman:** — Yes. It is Central Services' portal.

**Ms. Sproule:** — That's what I thought. Okay. So is there anyone from Central Services, or are you doing that as part of . . . No, you're not with Central Services; you're CIC. So who's responsible, like who's your colleague, I guess?

**Mr. Dedman:** — A broad committee of people are working on that.

**Ms. Sproule:** — I think certainly reducing to four from the hundreds of templates, that would be appreciated seriously by the public, or private sector in terms of knowing how to approach government when it comes to this kind of work.

When you said specific procurement issues, without revealing any confidential information, can you describe for the committee what those specific issues would circulate around, what kind of issues you're dealing with in procurement?

**Mr. Dedman:** — I can give you one example of the kind of things we deal with. The question was raised about a wash trailer, for a camp, that was being ordered by a particular ministry. And the point that was raised by the private sector was that the specification for this wash trailer was the specification for a specific company. And so what we were able to do is have that procurement pulled back and a generic spec part of the retendering process.

**Ms. Sproule:** — Any other kinds of issues that you're dealing with on specific procurement?

**Mr. Dedman:** — We deal with issues around the trade agreements and the trade agreement thresholds. We deal with issues sometimes of specifications and whether the specifications are fair for Saskatchewan companies. Sometimes we talk about the size of projects that are being put out on requests for proposal and suggest that smaller packages give Saskatchewan companies better opportunities.

The other key element of our work is best value versus lowest initial cost. And the private sector are very supportive of looking at best value which incorporates a wide range of evaluation criteria into tenders and requests for proposal.

**Ms. Sproule:** — I think some of those changes were brought in recently by this government. How does that reflect with the trade agreements in terms of the best valuation? Do other provinces use a similar best valuation for issuing their RFPs [request for proposal] as well?

**Mr. Dedman:** — Virtually every government provincially and federally in Canada and in the United States talks about achieving best value, but it's very rare that any of them go beyond lowest initial price.

**Ms. Sproule:** — Okay. You also talked about ministries and Crowns on specific procurement approaches in addition to the issues you're dealing with. Maybe that's the same thing that you just described right now. What ministries and Crowns are you working with right now?

**Mr. Dedman:** — We pretty much deal with all of them, one way or another. We've trained 600 people from across government ministries and Crowns so they're part of that process. We also use ministry and Crowns in specific committees looking at the changes we're bringing forward under the action plan items. The template committee, for example, would have a pretty significant group. We have a legal advisory committee with lawyers from Crowns and from Justice that reviews the work we do and makes sure it's compliant with trade agreements.

**Ms. Sproule:** — So would you say a large majority of the work you're doing is basically policy development and implementation?

**Mr. Dedman:** — That's an important part of what we do, but we're very much in the practical side as well.

**Ms. Sproule:** — So you've done training. You've developed policies and the action plan. What other practical applications are there to the work that you do on the practical side?

**Mr. Dedman:** — Well we help ministries and Crowns interpret aspects of the procurement manual, trade agreements, best practices on procurement, which the manual covers as well.

**Ms. Sproule:** — I'm just looking at the mandate for Central Services, the ministry, in estimates. And it's described as:

The Ministry of Central Services provides central coordination and delivery of property management, information technology, project management, procurement, transportation and other support services to

government ministries and agencies.

So obviously they don't provide that to the Crowns. But I'm just wondering, do you see there's any overlap in what Central Services is doing, in relation to central coordination and procurement, and the work that SaskBuilds is doing?

**Mr. Dedman:** — No, I don't see much overlap in those two areas.

**Ms. Sproule:** — Could you distinguish then what is the difference between what SaskBuilds does when it comes to central coordination of procurement and what Central Services does when it comes to central coordination of procurement?

**Mr. Dedman:** — Our role, as identified to us by the stakeholders in the private sector, is that it was impossible for a business that dealt with one part of government, one ministry or one Crown, to take that knowledge and use it when they wanted to apply for work with another Crown or another ministry. So our role is to bring a consistent approach to procurement across all of government. Central Services is directly responsible for the procurement of goods across ministries. They delegate some of that responsibility. They delegate to Highways that responsibility, so Highways looks after that on their own. When it comes to services in ministries, ministries can procure it themselves, or they can ask Central Services to do procurement of services.

[14:00]

**Ms. Sproule:** — So do you feel that Central Services isn't able to provide a consistent approach to procurement of goods?

**Mr. Dedman:** — Central Services provides a consistent approach when they're doing the procurement, but they just do a small percentage of the procurement that even ministries do.

**Ms. Sproule:** — It just seems that there's some duplication of effort here. If they were directed to do what SaskBuilds has been directed to do, they certainly would be able to fulfill the function that Priority Sask is doing, other than the Crown relationship. So why wasn't it organized that way, where Central Services would be the lead on procurement as is their role as described within the estimates?

And I know you indicated a dissatisfaction from the private sector, but I'm not sure why creating a whole new administrative body called Priority Sask would be more efficient. Have you done a study on the efficiencies that? Or sort of what sort of analysis was done that this should be taken out of the Central Services role and put into SaskBuilds?

**Mr. Dedman:** — Well I don't think it ever was in the Central Services role. I think what happened was the government decided that, as potash expansion slowed, companies would look towards ministry and Crown procurement to fill the gap. And so in 2014 the first step of Priority Saskatchewan — done before I arrived there — was a major consultation done across ministries, Crowns, and the private sector asking questions like, what's working? What isn't working? How could things be done differently? And out of that work, which was very extensive, came the transformation action plan. And that's what

was moved forward on, and that's what Priority Saskatchewan, as a very small group, has continued to deal with over time.

**Ms. Sproule:** — All right. I'm just going to go back to some of the other positions within the larger SaskBuilds organization, so thank you very much, Mr. Dedman, for that. In terms of SaskBuilds — I'll wait until Mr. Pandya is back — we have the five individuals that are identified as doing the work for Priority Sask. Now you have a number of other positions that are within your organization. I'm just wondering if you can share with the committee a little bit about the responsibilities. I think you have a number of project directors and also a number of directors as well. So let's start maybe with director, procurement modernization, so that's Mr. Howard. What exactly does he do and what is he paid?

**Mr. Pandya:** — So Mr. Howard is in fact one of the employees in Priority Saskatchewan inside of SaskBuilds. As director of procurement and modernization, he's classified as an MCP 9. He's primarily engaged in training sessions with both public sector employees in executive government, Crown corporations, as well as leading training sessions with industry associations and sector people in industry.

**Ms. Sproule:** — Thank you. And what sort of qualifications did he have for doing those training sessions?

**Mr. Pandya:** — Thank you. So Mr. Howard has had an extensive career in the private sector and has developed a series of relationships in manufacturing and industry that we deemed important as we continue the work on the procurement modernization initiative. And he's been able to bring those contacts into direct discussion with government and has been able to provide us with a private sector perspective from inside of SaskBuilds on what some of the issues in those areas would be as well.

**Ms. Sproule:** — Thank you. Was there a competition for that position or was he approached and directly asked to come and work for you?

**Mr. Pandya:** — Thank you. Priority Saskatchewan had a very aggressive training schedule over the course of the last number of months. And Mr. Dedman, as the vice-president responsible for Priority Saskatchewan, approached Mr. Howard and given his, again extensive contact in particular in the manufacturing area but in broader industry and his private sector experience, made the offer to him.

**Ms. Sproule:** — I guess I'm just wondering what his training was to be a trainer. Is that something you were concerned about? He's obviously doing a lot of training and would need to require a certain skill set to do that. Obviously his contacts are important, and he could certainly provide a list of his contacts to Mr. Dedman. So what sort of experience does he have as a trainer that would suit him for this position?

**Mr. Pandya:** — So I won't have that specific knowledge of previous training sessions he's undertaken. What I can tell you though, as part of the training sessions that occurred, I think Mr. Dedman has already shared that Priority Saskatchewan staff have trained some 400 government staff in addition to many hundreds in industry. At the end of every one of those training

sessions, we have those sessions evaluated. And the evaluations from Mr. Howard's sessions are exceptional, along with the other Priority Saskatchewan staff that are engaged in those training sessions.

**Ms. Sproule:** — Did Mr. Dedman . . . Did you consider anyone else for that position or was it just Mr. Howard?

**Mr. Pandya:** — So, Mr. Howard, because of his extensive business involvement, had a business perspective and as part of the training sessions, it was deemed important to have somebody who could translate, if you will, procurement modernization policies, training, and in terms of different practices in terms of procurement from a private sector perspective with all of our public sector officials who were receiving the training.

There was also some urgency in terms of bringing somebody on and Mr. Dedman reached out to a known individual who again has a significant amount of contacts and experience in terms of private business.

**Ms. Sproule:** — So there was urgency to bring him in. Again with his conflicts as a private businessman, how are those handled within the organization?

**Mr. Pandya:** — I think Mr. Dedman's already responded to this. But we have a very sophisticated conflicts policy in SaskBuilds, you know. As you'll know, other ministries and Crown corporations will have similar policies. Anybody who is employed in SaskBuilds is required to do a full disclosure in terms of potential and real conflicts of interest. Those are then reviewed by a conflicts committee that is chaired by our justice solicitor. If there is any real conflicts, those are brought to the attention of the CEO. If I deem those to be conflicts that would in any way, you know, be perceived, be problematic in terms of our work, then I would escalate those to the Chair of the SaskBuilds board.

**Ms. Sproule:** — Thank you. Let's move on to the director for strategy and engagement. I believe that's the minister's former chief of staff, Mr. Seidler. Can you share with the committee what level he is hired at and what his salary is to begin with?

**Hon. Mr. Wyant:** — I'll let Mr. Pandya answer that. But just to correct the record, Mr. Seidler was not my chief of staff, but he was engaged in my office.

**Ms. Sproule:** — Thank you for that.

**Mr. Pandya:** — Member Sproule, maybe could I ask you to repeat the question about the . . . Was it about his qualifications?

**Ms. Sproule:** — Well that's coming. It was, first, was the salary and the level. And then qualifications would be next, and then the job description and what work he is working on.

**Mr. Pandya:** — So Mr. Seidler was brought into SaskBuilds as an MCP7. Again by board direction, we're following public sector commission executive pay, the executive pay direction. He has been brought in as the director of strategy and engagement. He's had, as you'll know, considerable experience

from working in the minister's office as a ministerial assistant. He has been previously a legislative intern, who has worked in the legislature, and has completed his Master of Arts and is on his way to law school.

**Ms. Sproule:** — All right. So again was there a competition for that position?

**Mr. Pandya:** — Yes, there was.

**Ms. Sproule:** — When was Mr. Seidler brought on?

**Mr. Pandya:** — Thank you. He was brought on in June of 2016.

**Ms. Sproule:** — All right. And again salary for both Mr. Seidler and Mr. Howard. I forgot to ask about for Mr. Howard, MCP9.

**Mr. Pandya:** — Thank you. So the salary for Mr. Howard is 120,000 per year. And the salary for Mr. Seidler, at an MCP7, is 79,000 per year.

**Ms. Sproule:** — Thank you. Now tell me a little bit about strategy and engagement. Exactly what does that mean in terms of the SaskBuilds role within government?

**Mr. Pandya:** — This is a position that works in our organization to ensure that work across our three main lines of business — integrated capital planning, Priority Saskatchewan, and major projects — is aligned. It's a position that's responsible for assisting in the preparation of our strategic plan, operational plans, annual report, and is responsible for engaging with the broader public in terms of the work of SaskBuilds, so presentations to the engineers, architects, etc.

**Ms. Sproule:** — Sorry, what sort of presentations would those be? Because we have Mr. Dedman's group doing the work with the ministries already and the Crowns. So what additional work would the engagement involve?

**Mr. Pandya:** — So again Mr. Seidler's work would be primarily with, maybe I could define them as stakeholder groups. So this would be architects, engineers, many of the associations that we work with directly. And it would be broader overviews of the entire work package of SaskBuilds, not just the Priority Saskatchewan pieces.

**Ms. Sproule:** — So how is that different than the training that Mr. Howard's doing?

**Mr. Pandya:** — So Mr. Howard is providing very specialized training on procurement modernization. So the Priority Saskatchewan initiative was a fundamental overhaul of procurement approaches across the Government of Saskatchewan, so that is something that hadn't occurred in a systematic way for some, well, over 25 years.

So the work that Mr. Howard is leading in terms of training executive government and industry staff in the use of the new procurement manual — which is really a series of different procurement approaches, policies — is focused primarily on government procurement. And the work that Mr. Seidler is

focused on is a broader work relative to a strategic policy regarding the broader work of SaskBuilds.

**Ms. Sproule:** — In terms of broader, do you mean more high level or is this just sort of bringing awareness to what SaskBuilds has to offer? Is it more like a marketing position, in terms of engagement? Or not marketing. I mean it's sort of educational.

**Hon. Mr. Wyant:** — I think one of the primary roles is communication. I must say that Mr. Seidler possesses excellent communication skills, which is a very valuable tool to SaskBuilds.

**Ms. Sproule:** — Thank you. We have some other directors I'd like to touch on as well. I'm just looking through the list here. Now Mr. Mabee I know is with Priority Sask and is described as the director of supplier development. Maybe, I don't know, Mr. Pandya or Mr. Dedman, can you explain what that director role is, what level he's at, and what his current salary is?

[14:15]

**Mr. Dedman:** — Mr. Mabee has over 30 years experience with SaskPower in their supplier development program. So he brings a very extensive list of contacts, a record of supplier visits, and an understanding of the supplier sector in that manufacturing sector to our group now so that we have access to his, I would say, vast knowledge in working with Saskatchewan companies.

**Ms. Sproule:** — And is Mr. Baker's title the same as a supplier development as well?

**Mr. Dedman:** — Yes, it's in supplier development. We haven't really coined the title for him yet because he's just joined us.

**Ms. Sproule:** — What do you see his role as potentially developing into?

**Mr. Dedman:** — His role . . . He has a legal background in procurement so we're seeing him as doing work in policy development in issues that people are bringing to us and that we have before us.

**Ms. Sproule:** — And again what level . . . Maybe Ms. Florizone can provide the level and salary for Mr. Baker and Mr. Mabee.

**Mr. Dedman:** — Mr. Baker is seconded from SaskPower and SaskPower is paying his salary, so I don't know if we know that number. So as I said, Mr. Baker's salary is paid for by SaskPower. And for Mr. Mabee, we pay \$35,000 of his total salary but we don't have that number. Oh sorry, we pay \$85,000 of his salary but we're not certain of the total value of his salary.

**Ms. Sproule:** — Okay. So he's basically seconded as well from SaskPower or . . .

**Mr. Dedman:** — Yes.

**Ms. Sproule:** — Yes, okay. I have about five more folks that I would like to get a sense of who they are and what they do. I

think they're outside of Priority Sask so I'm sorry for the changing of chairs. I apologize.

Next up I would think is Ms. Nichols, Sara Nichols, who's director of capital planning and strategy. You've provided her salary earlier as 73,959. So what level is that? I assume that's the same as Mr. Seidler, about the same range. And what would she do specific in that position for capital planning and strategy?

**Mr. Pandya:** — So thank you. Her level is an MCP8 and she is primarily responsible for working on integrated capital planning, and so leading . . . That's one of our other major lines of business, is leading initiative across government. When SaskBuilds was established, one of its objects and purposes was to lead an integrated approach to capital planning across government.

So we're moving into year three of a five-year implementation on capital planning. And so Ms. Nichols, along with the integrated capital planning group, are leading a whole series of changes to how executive government ministries are putting forward capital projects for approval through the treasury board process. So they've developed, in consultation with the community of practice, which includes capital planning experts from across all of the executive government ministries, they've put together a series of manuals and business case templates that are required to be filled out by ministries as they're preparing their capital ask.

The focus of those documents is really around ensuring that there is a very clear elaboration of the need for a project, that there is proper cost estimation and planning that has been put into projects before they're brought in front of the treasury board for decision making, along with an assessment of procurement options, in terms of optimizing procurements.

And so Ms. Nichols, again along with the integrated capital planning team, would lead that work. Part of that work would be liaising with the executive teams within executive government ministries again, as well as the community of practice that I previously noted.

**Ms. Sproule:** — You mentioned liaising, but I'm just wondering — and maybe the minister could answer this — would it be perilous for any ministry to go ahead to treasury board with a capital project without going through your group with SaskBuilds first?

**Hon. Mr. Wyant:** — Well they certainly have the authority to do so if they choose. I'm not sure perilous is the right word. But certainly the rigour that gets applied through the SaskBuilds process, in terms of integrated capital planning, is very, very helpful to executive government when we're making decisions on capital projects.

**Ms. Sproule:** — Thank you. You also mentioned an individual, I believe last name is Harrison, and I think first name Sarah, if I caught it correctly. And I don't know what position that is, but from the pay you provide, 135,000, I believe it'd be a fairly high-level position. So could you describe what that position is and what level it is?

**Mr. Pandya:** — So Ms. Harrison is no longer with SaskBuilds. In fact, when she was first engaged with SaskBuilds, we had three vice-presidents. We had a vice-president of strategy and engagement. We've now filled that position at a director level and I think we've covered the duties and responsibilities as we discussed Mr. Seidler's role.

**Ms. Sproule:** — All right, thank you very much. Jeffrey MacDonald, director of planning and infrastructure, is there the wage and the level and the job description?

**Mr. Pandya:** — Certainly. So Mr. MacDonald is an MCP8. He's director of planning and infrastructure. He's primarily responsible for leading the assessment of capital, individual capital projects as they come into the ministry or, pardon me, into SaskBuilds for assessment. So he would do the initial analysis of those projects.

We have a portfolio system, if you will, inside SaskBuilds where our project directors are also tasked with taking on various portfolios; either Health, Social Services, etc. And so he would work with those project directors to ensure that they're doing the review of project proposals as they're coming in. And that is all being fed into the development of exhibits on each capital project that is provided his advice to treasury board.

**Ms. Sproule:** — Okay. One last staff person is Mr. Hambleton, your Crown counsel. Is he a Justice lawyer or is he fully, I guess, in-house with your organization, and what is his level and his level of pay?

**Mr. Pandya:** — So Mr. Hambleton is in fact a Saskatchewan Justice Crown counsel and he's currently employed . . . In '15-16, he was employed at 50 per cent time with SaskBuilds. And I would be unaware of . . . We could certainly find that out for you, what his level within Justice is.

**Ms. Sproule:** — Okay. And the work he provides for you, is it just generally advice on contracting or is he, represent you in court? I assume you're not in any legal actions at this point.

**Mr. Pandya:** — That's correct, we're not in any legal action so he's providing general counsel on a range of issues that we would seek legal advice on.

**Ms. Sproule:** — All right. I want to thank you for this lengthy and, sort of, thorough overview of all your individuals at the senior levels.

Mr. Chair, I'm going to ask that my colleague now be allowed to pose a few questions.

**The Chair:** — Thank you. Ms. Chartier, you have the floor.

**Ms. Chartier:** — Thank you very, very much. I've got some general questions but I also have some very specific questions. So, Minister Wyant, last year we were talking about the Saskatchewan North Battleford hospital and I was a bit stymied because you told me that maintenance isn't broken out in terms of contracts. So I was wondering, I couldn't remember where I'd read that but it was from a news release actually. Or I had made the assumption from a news release of September 21st, 2015 where:

Over the . . . life of the contract, the province will invest \$407 million in Saskatchewan Hospital North Battleford. This includes construction-related costs of . . . [220] million, as well as the cost of required maintenance to keep the facility in "like-new" condition for 30 years.

And then in committee, you broke that out for me and said that the maintenance isn't broken out. So in committee you told me that the total project cost was 363 million, which was the payment to the private sector partner. And then you told me there were \$33.8 million for retained risk, 10 million for procurement implementation and other costs.

So the difference between the 363 million minus the 222 million for construction would be 141 million. So could you tell me what that difference, between the 363 and the 222-million construction cost, covers? Is that in fact maintenance or is that maintenance and profit for the sector partner? If you want to tell me a little bit about that.

**Hon. Mr. Wyant:** — The payments to the private sector over the 30-year term of the contract at net present value will be \$363.4 million. There was retained risk of \$33.8 million. There was ancillary costs of \$10 million. And that's where we get to the \$407 million number.

**Ms. Chartier:** — It's not the four, sorry. Did you have more?

**Hon. Mr. Wyant:** — I could.

**Ms. Chartier:** — Okay. It's not the 407 million that I'm . . . I know how you get to the 407 million. You explained that. I'm wondering what . . . So in the news release it points out that the total cost is 407 million, with 220 million includes construction-related costs, and as well as the cost of required maintenance. So last year you told me the total, the payment was 363 to the contractor. So I'm wondering what's in the difference between the 222 million for the construction to the 363 being paid to the partner. So is that maintenance, or is there anything else included in that?

**Hon. Mr. Wyant:** — It would include maintenance. It would include interest. It would include financing costs. And everything else would be part of that difference.

**Ms. Chartier:** — I think it's just important to note or put on the record that . . . so that translates . . . obviously you've said it's not just . . . So would that also include profits in there for the . . . Obviously the contractor needs to make money. That's what they do.

**Hon. Mr. Wyant:** — It's one number, so that includes everything.

**Ms. Chartier:** — Everything.

**Hon. Mr. Wyant:** — Right, including their profit. Yes.

**Ms. Chartier:** — Okay. I just want to point out that even if you factored all of that in for maintenance, it would translate into 4.7 — the difference. And I know you've explained that isn't the case, but that's \$4.7 million a year in maintenance. And just to note that Prairie North Regional Health Authority in the year

that ended 2015 spent a total of 3,536,834 for the whole region.

**Hon. Mr. Wyant:** — I would comment a little bit on that. I mean, the fact of the matter is this number carries the maintenance forward for the length of the term of the contract. And then at end of the term of the contract, this building will be in a like-new condition. You know, the fact that we've got significant deferred maintenance on a number of buildings within the health region, within, across government, I don't think is a reason to suggest that we shouldn't be maintaining this building because this will be one we won't have to maintain for 30 years.

[14:30]

**Ms. Chartier:** — So you've told me all those . . . So we've got maintenance, interest, finance cost, and profit factored into that 141 million. Can you tell me what . . . Can you explain a little bit the \$33.8 million retained risk?

**Mr. Pandya:** — Thank you. So as part of a P3 assessment, what we would undertake to do is develop a cost of the project if we were to build that project using a traditional design-bid-build project versus a P3 project. And in the process we would identify any risks that we would retain as the public sector, even if we had a private consortium building the project through a P3.

And in the case of the Saskatchewan Hospital in North Battleford, there are some risks that we retain as the public sector. Those are: owner-initiated scope changes; they would be owner-initiated construction delays, so if we asked for some reason for construction to be delayed; procurement schedule delays that were triggered again by changes in the law and government. And so there is a series of risks that we retain, and that's the valuation of the risks that government retains. Those risks may or may not materialize, and if they don't materialize then we don't use those funds at all.

**Ms. Chartier:** — Interesting that you say that. I just need some clarification here too. So just speaking . . . we've had some opportunity to speak with folks involved with both North Battleford and the Swift Current project. And so I'm wondering, around that 33.8 million you mentioned, scope changes, if government asks for scope changes, I'm under the understanding — and I just want some clarity here — that in fact on both those projects there were scope or design changes. So you've got the value-for-money estimate, and I've been led to believe that there have been scope changes on . . . there were scope changes on both those projects to get them more in line with the value-for-money.

**Mr. Pandya:** — So as part of a public-private partnership, you know, one of the fundamental kind of hallmarks of a long-term performance-based contract that's outcome-based is that rather than defining all of the detail of the facility, the government, the authority users — in this case Health, Corrections — would identify the outcomes that they want that infrastructure to achieve. And then they would go to the private market with a series of outcomes that they'd like achieved. And the private market essentially comes back through our procurement process. Through essentially what's a design competition, they'll provide us with a series of designs — in this case, three

separate designs that best meet all of the output specifications that we've required.

And so rather than having . . . In a traditional design-bid-build project, you know, typically government would go and hire an architect and design the entire facility, and then we would go out and hire a GC [general contractor] to actually lead the construction of the facility. And if there's design errors, then we incur any costs for those design errors.

In a P3 — notwithstanding the fact that through the procurement process, we are essentially engaged in a design competition — you don't have 95 per cent construction drawings until a later point in the project. So the project construction can start on the base plate of the facility, and in fact that's what you see. You see the steel go up or, you know, the structural elements of the building. And through a series of design consultations that continue to occur through the initial phases of construction, those details are finalized.

So there is in fact a back-and-forth in terms of construction. All of our projects continue to remain on time, on budget. There have been no scope changes as maybe your question . . . There's been no scope changes in the sense of traditional scope changes where we say, oops we forgot, I don't know, a facility shed or something like that. We've not done anything like that.

And just as a . . . Oh sorry, please go ahead.

**Hon. Mr. Wyant:** — Just a matter of, yes, clarification. If you're suggesting that the scope was changed to meet the value-for-money outcome, that's not the case.

**Ms. Chartier:** — Okay. This is what we've been told so then some clarity is there. But would that account . . . So I have a couple of questions here. When do we start measuring on-time, on-budget? At what point in the process do we start measuring that?

**Hon. Mr. Wyant:** — The delivery date and the construction contract price are set in the contracts. So we would start measuring that at the date the contract was signed.

**Ms. Chartier:** — But there's a great deal of negotiation that goes on before that contract is signed. Does it . . . Prior to that. Is that correct?

**Hon. Mr. Wyant:** — Well there's a lot of work that gets done. I think I'd mentioned in committee last year, and I think in the House as well, there's a tremendous amount of preplanning that gets done before you get to the stage of signing the contract. And that's one of the reasons that these projects can be built on time and on budget, because you do do a lot of that preplanning. And it eliminates the need for lots of scope changes as you move through the project, like you would in a traditional plan.

**Ms. Chartier:** — Well just interesting, an aside, we talked about the U of C [University of Calgary] article that pointed out that on-time, on-budget P3s are great at doing that, but it doesn't really account for the time.

So I'm wondering, when we say . . . so the delivery date . . . The on-time, on-budget starts at the signing of the contract. So

in terms of these scope changes, or sorry, the design changes, so those three designs, that doesn't start happening until after the contract is signed? Or is that work done before the contract is signed?

**Mr. Pandya:** — So at the point . . . During the RFP process, there's a series of collaborative meetings. And in fact during those collaborative meetings, there's a clarification of the output specifications that the authority has identified and the solutions that are being proposed back by the private sector. At that stage in the design, we have a 30 per cent design, and so the remainder of the design occurs as the building is being constructed. So that's what's atypical from a typical design-bid-build, where you have to do all of the design upfront and then design the building.

Now what this allows of course to happen is that you can ensure that construction begins immediately on all the main structural elements of the building. And you move forward to a refinement process so that you've met all of the terms and conditions of the agreement. You've achieved all of the output specifications that we've specified.

So to your earlier question on scope, all of the output specifications that we've asked for have been satisfied in the case of, for example, Swift Current long-term care centre, and will be satisfied in the case of Sask Hospital North Battleford. So there is no scope change, if you will.

**Ms. Chartier:** — Okay. So I'm jumping around here, but with respect to Swift Current then, so we've got the North Battleford number of the 33.8 million for retained risk, which we won't know until the end of the project. But with Swift Current, did we end up . . . Was there a cost around retained risk there that we actually ended up paying out?

**Mr. Pandya:** — Well thank you for the question. So none of the retained risks that were identified in the Swift Current long-term care centre, that were carried by the public sector, materialized during the course of that contract. Of course we have a 30-year maintenance and life cycle rehabilitation contract with project co., so we carry that risk until the end of the period.

**Ms. Chartier:** — Okay, thank you for that.

Just back to North Battleford. I know, Minister Wyant, in the House when asked about the bypass, you've talked about contracts being, the whole contract is online. Then you've said that only certain sensitive portions are redacted. But I just wanted to take you to the North Battleford contract schedule 15, which is the financial model, and it is intentionally deleted. The key individuals, there doesn't seem to be full details. And the appendix 2, the initial project schedule, is also intentionally deleted.

So I'm wondering about the sensitivity. So you've talked about, in the House, about the bypass project being fully transparent, but again, there's redacted material with those. And here again there's redacted materials. So I'm wondering why these pieces would have to be redacted.

**Hon. Mr. Wyant:** — Well as I've mentioned in the House,

these contracts are redacted for commercially sensitive information or for proprietary information of the project co. So if the material was redacted, that's the reason.

**Ms. Chartier:** — The initial project schedule?

**Ms. Florizone:** — The appendix 2 that you're referencing is in regards to the subcontractor information as well as the phasing information. So that information is commercially sensitive information through the bid process.

**Ms. Chartier:** — Thank you. I'm just wondering around the transparency piece. The initial project schedule, if you want to talk about being on time, on budget, and these kinds of things are redacted, how . . . You're telling us it's on time, on budget. And not that I don't trust you, but how do we have the ability to critique that?

**Hon. Mr. Wyant:** — Well the construction, the date for the opening of the buildings — and I'll give you the schools as an example — is public information. We have announced that by way of a press release in terms of when we expect those buildings to open. And so that's the timing which we use in order to determine whether or not it's on time.

Again the information is disclosed in a schedule, that subcontractor information. They use that in their bid processes in terms of . . . And we wouldn't want to see that information, and they wouldn't want to see that information disclosed to other contractors, simply because of the fact that if we go forward with other contracts, they don't want to let, you know . . . It would be the same with a number of other things. But that would be commercially sensitive if it has a bearing on their ability to compete in further contracts.

**Ms. Chartier:** — Would it be fair to say, with all these contracts and everything that's posted online for public consumption, that just as much is redacted as is not?

**Hon. Mr. Wyant:** — Well I think it would be fair to say that the only information that's redacted is commercially sensitive information. We wouldn't . . . If you're suggesting that they're over-redacted, that's not the case. And I'm sure you're not.

**Ms. Chartier:** — No. I'm asking you though, is it fair to say that almost as much information is available that is redacted?

**Hon. Mr. Wyant:** — I can't answer your question directly because I don't have the redacted document in front of me, but certainly the level of disclosure with respect to these contracts with the RFQs [request for quotation] and the RFPs, that's really an unprecedented level of disclosure to the public. You wouldn't typically see that in a normal design-bid-build contract. So the amount that's available to the public to peruse online is certainly kind of unprecedented from a transparency perspective.

I can't answer your question directly because I don't have the contract document in front of me. But I will say this, that only the commercially sensitive information and proprietary information is redacted. And that would be the case in any government contract.

**Ms. Chartier:** — Is it fair to say . . . And I completely understand that if it's commercially sensitive, fair enough. But is it fair to say, when you say all of this is completely transparent and available to people in the general public, when in fact half the contracts are not, commercially sensitive information are not, I don't know if it's a fair statement to say that everything is listed online.

**Hon. Mr. Wyant:** — I think it is fair to say that it's a transparent process. Certainly there's more that's provided to the public from a transparency perspective than in any other contracts or any other vehicles that you'd use to procure capital improvements. I mean, the fact is that this information would be redacted in any event, no matter what kind of a contract it is.

[14:45]

And we've had some discussions in the House about commercially sensitive information and what can be redacted. But as compared to any other government contract, any other procurement model, the level of disclosure here is really, really unprecedented.

**Ms. Chartier:** — Forgive my ignorance here, but why is . . . why would commercial sensitivity trump a taxpayer's right to know some of this information?

**Hon. Mr. Wyant:** — Well . . .

**Ms. Chartier:** — Is there large sums of money that were . . .

**Hon. Mr. Wyant:** — Sure. Sure. But you can imagine a situation that, if commercially sensitive or proprietary information was released to the public, then that would give other people a competitive advantage when it came to bidding on contracts.

So people have commercially sensitive and proprietary information all the time in government contracts. It would be highly inappropriate for a government to release that information to the prejudices of those companies that are . . . I get your point, but the fact is, who would then negotiate . . . how would we ever be able to contract with private sector developers in terms of buildings if we were to say, oh and by the way, all your confidential and proprietary information, we're going to disclose that to the public. We would have some great difficulty negotiating those contracts, and if we could, it would be at some significant cost because we would have to compensate them for the loss of their proprietary information, I would think. So I think it makes sense.

**Ms. Chartier:** — I'm going to move on here. I know we only have an hour and a bit left here and we've got lots to cover.

I just wanted to ask you, so in Highways the other day, Minister Marit was asked by Mr. Belanger about the companies on the bypass that are working on the project from out of province. So a Saskatchewan list was provided, and then the minister then said that he doesn't have the list, but SaskBuilds probably would. So I'm wondering if SaskBuilds has a list for the bypass when it comes to those out-of-province companies.

**Hon. Mr. Wyant:** — We will provide you with a list of the

companies that we're aware of that are out-of-province contractors, together with a list of the Saskatchewan contractors that we're aware of. As you know, government contracts with the Design building partner, so that's our contract. All the other contracts that they have are their contracts. But we can provide the list that we have.

**Ms. Chartier:** — Do you have it here today?

**Hon. Mr. Wyant:** — We have a list.

**Ms. Chartier:** — And is it a list broken out between Saskatchewan companies and out-of-province companies?

**Hon. Mr. Wyant:** — We have a list of out-of-province companies and we also have a list of Saskatchewan companies. If you'd like, we can table them or provide them.

**Ms. Chartier:** — That would be great, please. And since you do have that list, I know Ms. Sproule asked the question around the North Battleford hospital, but what proportion of the bypass project goes to these Saskatchewan companies?

**Hon. Mr. Wyant:** — We wouldn't be able to provide you with a percentage of how much work was being provided by those companies. Those are contracts as I mentioned that they have with our project co. So we can give you the number of companies. We can't tell you what the percentage of the work is. But I think you'll see from some of the companies that are involved in the bypass or the hospital, there are significant Saskatchewan companies.

**Ms. Chartier:** — I think that with Ms. Sproule's question, that it was said that that information . . . You could ask the company for that information.

**Hon. Mr. Wyant:** — Yes, that's right. We did say that. And we can do that for that project as well.

**Ms. Chartier:** — Okay, that would be great. Thank you.

**Hon. Mr. Wyant:** — What we said was, we'll ask for the information. Whether they provide it to us is . . . But we'll ask.

**Ms. Chartier:** — Okay. So we're, yes, looking for a dollar amount that goes to out-of-province companies.

I need actually a little bit better understanding. So we had a brief conversation last year about integrated capital planning and how it works. It was actually a very brief conversation. We talked about the 11 business cases that were before SaskBuilds. So I'm wondering . . . I'm going to just start a few specific things and then I'm going to ask some general questions. So how many business cases ended up being assessed in '16-17?

**Hon. Mr. Wyant:** — We'll get that for you.

**Mr. Pandya:** — Thank you for the question. So in '16-17 — did I get that right? — we received 136 project submissions, of which we reviewed 26 complete business cases.

**Ms. Chartier:** — So you ended up reviewing 26 complete business cases. Okay.



**Mr. Pandya:** — As a point of clarification, the 136 projects that we reviewed would be at different stages of readiness, so we would only deem a project to have a complete business case when it in fact had a complete business case. So we had 26 complete business cases submitted to us and we reviewed all of those complete business cases. The remaining 110 projects, we would provide advice in terms of the quality of the work to date and guidance in terms of how to further complete business case on those projects.

**Ms. Chartier:** — Are any of those assessed? You reviewed 26 complete business cases. Were any of those projects proceeding in this budget?

**Mr. Pandya:** — So there is no projects that were reviewed at the business case stage that had been approved for funding as part of the '17-18 budget.

**Ms. Chartier:** — I think this is where I want to ask a little bit about exactly how the integrated capital planning happens because I think it's still not clear to me. So we've got business cases and we've got projects that come before you at various stages. So you've got the government who has spent money already on planning for places like the La Ronge long-term care facility, Weyburn and Victoria hospitals. So I think I just need you to explain to me how the process works from ministries to you. So I had understood at one point that SaskBuilds was only looking at projects over 100 million. Is that correct?

**Hon. Mr. Wyant:** — That \$100 million threshold is for alternate financing models, P3s for example. But it's . . . The capital planning piece within SaskBuilds isn't restricted to that monetary amount.

**Ms. Chartier:** — Okay, so if you could just explain to me how that is, the integrated capital planning, is happening.

**Mr. Pandya:** — Thank you. Maybe I could provide you with just the annual process on integrated capital planning, and then if you have questions we could drill down into pieces of that.

So the annual call for integrated capital planning would be issued from SaskBuilds and Finance in December of each year. And this is for the following fiscal year, if you will. Between December and the end of May, executive government ministries will provide SaskBuilds with their capital plans which will include a detail of the projects that they are seeking funding for. Again because of planning cycles and capital, you'll have ministries that will be . . . Just as part of our process, we're asking to see even projects that are on the horizon, so projects in initial-stage planning, if you will, versus projects that are at deeper stages of readiness, including projects that have a complete and full business case, which is the requirement for us to make a recommendation as part of the process.

So the intake ends May 31st. We have then our capital planning team work with project directors to review all of the submissions, develop detailed exhibits on each of the projects. So if we were reviewing a project and the ministry is asking us for advice on, you know, what they need to do to further advance that project, we can provide them advice based on best practice in terms of capital planning.

We would review all of the projects against alignment, against a set of criteria that had been set for us by the SaskBuilds board. The highest level of those include public health and safety, quality of life, economic growth. Those would be standard, by the way, across Canada in terms of criteria for assessing projects. We would then review in detail the projects for project readiness, again alignment with the business case, and making sure all of the elements of the business case are completed.

This then rounds us out to about September, where we have a committee made up of executive government ministries. The membership of that committee includes ministries that don't necessarily have major capital asks at play. And the reason is, is that you don't want ministries . . . I'll just use the Ministry of Highways, for example, that is a ministry making decisions on capital infrastructure projects as part of this process, so we include ministries that aren't major capital players. That committee will then convene and review all of the exhibits, project proposals that have been submitted as part of the process.

In September that work is finalized, in the early fall. That information is then provided back to a steering committee of deputy ministers of infrastructure who would then review all of those findings. We would make that list available to the SaskBuilds board and then it would be provided as advice to treasury board as part of the next budget cycle. So they could use that to build the capital plan.

**Ms. Chartier:** — So ministries are submitting their priorities and their plans in various stages, whether it's a business case or earlier along. Is it possible that the ministry ranks something higher than SaskBuilds ends up ranking it?

**Mr. Pandya:** — Yes. To answer your question, so each ministry sends us a list of prioritized infrastructure as part of the process. And in fact it is possible that we would review a project and have a project that would rate higher than the ministry might have initially assessed that project to rate.

**Ms. Chartier:** — Or lower.

**Mr. Pandya:** — Or lower, that's correct. Yes.

**Ms. Chartier:** — So SaskBuilds can, in the ranking and recommendation to treasury board, override what Sask Health's, for example, or Education's recommendation might be.

**Mr. Pandya:** — So as I stated earlier, as part of the committee review process, which includes a committee of capital planning experts from across government who are using, again, a set of criteria around public health and safety, if they're applying that criteria against the total capital list, there's going to be projects that move up and down in that list. What we are doing at the end of the day is simply providing the treasury board with advice on which business cases are ready for capital funding. Ultimately the treasury board will make the decision on projects that are funded or not.

[15:00]

**Ms. Chartier:** — Okay. So you're not ranking projects to

treasury board. So you've got, say, in this year, 26 business cases, assuming that they're all . . . Let's say they all 26 met the criteria. Are you ranking those business cases and providing recommendations to treasury board?

**Mr. Pandya:** — As part of our advice to the treasury board, we will in fact score against those criteria. So we have a detailed scoring matrix that falls out under those three main criteria: public health and safety, quality of life, and economic growth.

And then, you know, as part of the process there is a cross-check. So you might have, if I could use as a hypothetical example, you might have, you know, Water Security Agency proposing works that would also be beneficial because Economy is proposing works in a similar area. So those two projects would then, because of the conjoined nature of the benefit of doing those projects simultaneously, would proceed further. So we would . . . In fact as part of that scoring process, you can have projects move up or down.

We would then provide the treasury board with advice in terms of which projects scored the highest in terms of that scoring matrix. In terms of completed businesses cases, which scored highest versus which scored lowest.

The treasury board of course are making decisions on capital investment based on their affordability envelope. And again just hypothetically, you know, if you only had X amount of . . . If you only had \$100 to spend and your top project was \$300, you might not be able to fund the top project and you would fall to the second project, if you will.

So they're not constrained by our advice. Our advice is in terms of the readiness of these projects and their alignment with broader objectives of the government.

**Ms. Chartier:** — I think that I'm looking at your 2017-18 integrated capital plan project rankings. It's redacted but I've got the list. Sorry, I don't . . . I should really suck it up and get reading glasses because the writing's pretty small here.

So we've got economic impact utilization and capacity growth, total score; condition of existing asset; health and safety; compliance to legislation; health, safety, and compliance; access to service; functionality; improved quality of life, total. and I'm not sure if I'm missing . . . I think that those seem to be the ranking. Are those all weighted equally?

**Mr. Pandya:** — So in fact all of those . . . If the question was are all of those criteria ranked equally, the answer is yes.

**Ms. Chartier:** — Yes, okay. Can you just . . . Some of them are self-explanatory, but are there definitions that go with each of them? Like economic impact and utilization and capacity, do those have a broader explanation for the person who is doing the ranking? Like if you could provide those for me.

**Mr. Pandya:** — Thank you for the question. In the mountains of binders, we probably didn't bring the definitions. Maybe I could offer to table that with you. Is that okay?

**Ms. Chartier:** — That would be great, yes. No, that would be very helpful. That would be very helpful. So I'll move on from

there. If we can talk a little bit about . . . Can you clarify specifically how and where liabilities or debt related to P3s were recorded in the '17-18 budget?

**Hon. Mr. Wyant:** — On the '17-18 budget?

**Ms. Chartier:** — Yes.

**Hon. Mr. Wyant:** — I hope this answers your question, and if it doesn't I'll ask Teresa to clarify. So the P3 debt, which is the obligations under the long-term financing agreement, is already disclosed on page 74 of the Public Accounts volume 1, schedule 9. Is that what you're looking for?

**Ms. Chartier:** — That's for last year's, or was that for '17-18?

**A Member:** — '15-16.

**Ms. Chartier:** — '15-16, yes. So where in the budget are those liabilities recorded? Liabilities or debt recorded?

**Ms. Florizone:** — So the accounting treatment for P3s is in accordance with public sector accounting standards and that is part of the Canadian Institute of Chartered Accountants. With that, the accounting treatment for P3s I think is open and transparent through the process. With the estimates, what you'll see in there is the Saskatchewan capital plan outlines all of the projects approved to date and provides an estimate of the anticipated capital investments for the future. The acquisition, which is the value of the asset, is included in the capital plan.

**Ms. Chartier:** — Just, sorry, I'm dropping papers here. So just from the Regina bypass value for money report, this is a quote. It says:

During the design and construction phase, the Ministry will make two lump-sum payments. This first will occur shortly after the Phase One Substantial Completion [for] (\$103.5 million), and the second will occur shortly after Substantial Completion (\$507.4 million). These payments are fixed.

And, Minister Wyant, in estimates last year on June 21st, you said, "The transaction costs with respect to any particular project or the construction costs with respect to any particular project are flowed through the respective ministries." So with phase 1 substantial completion, according to the value for money report, is scheduled for October 2017. Is that still on track?

**Hon. Mr. Wyant:** — Yes.

**Ms. Chartier:** — Okay. Is that payment still on track?

**Hon. Mr. Wyant:** — That's right.

**Ms. Chartier:** — Yes. Okay. And is that 103 million accounted for under Highways and Infrastructure then?

**Ms. Florizone:** — The actual amount that is in the Saskatchewan Builds capital plan is not the cash payments. Cash payments are what is paid on a contract. What is part of a budget process is the amount of percentage completion that would be completed in that fiscal year. And that becomes the

capital acquisition, which is the budget component that you see in the actual budget.

**Ms. Chartier:** — Okay. The substantial completion is scheduled for 2019. Is that still on track?

**Hon. Mr. Wyant:** — For the entire project, there'll be . . . The project's being kind of completed in phases. So we'll have part of the project, the east side, being completed this fall, and then with the substantial completion of the entire project being done by 2019.

**Ms. Chartier:** — And that's half a billion dollars that the government will have to account for. And obviously in these fiscal times, I'm wondering if that's a concern at all for you in terms of how that may impact other ministries yet. So you'll have to have a half a billion dollars in 2019 available. Is that a concern at all?

**Hon. Mr. Wyant:** — Well the amount will be budgeted for. I think you also need to remember that there's a cost that's going to be paid out on this project over the term of the contract as well. But the amount will be budgeted for.

**Ms. Chartier:** — So that there will be a cost over the term of the project, but there will be a half a billion dollars in 2019 that will be paid out.

**Hon. Mr. Wyant:** — That's correct, yes.

**Ms. Chartier:** — Thank you. I think my colleague has some questions. Now we'll go back and forth here a little bit.

**Ms. Sproule:** — Thank you, Mr. Chair. I just have a couple questions. First of all, in relation to the value-for-money report on the bypass from November 2015, on page 16 there's an article there about . . . or one of the clauses is about adjustment to payments. And so the project agreement allows for adjustments to the payments made by the ministry. And there's a description there of the things that, where you could adjust payments.

Now we're looking at the P3 value-for-money assessment for the Anthony Henday Drive ring road project in Edmonton. And we noticed that in there, in terms of payment adjustment, there's a lot more detail, and in particular for deficiencies or failure to meet their obligations under the agreement. So are they somewhere in the value-for-money report? Is that described somewhere? Maybe we're just missing it. Failure to meet performance requirements.

[15:15]

**Mr. Pandya:** — Thanks for that question. So as part of the project agreement that's available online, there's two schedules that pertain to your question regarding deficiencies in quality failures.

Schedule 30 is during the construction period. It lays out the construction . . . The deficiency regime in the construction quality failure points, and schedule 18 will be post-substantial completion, the regime that will apply. And they're just specified in different ways because of the nature during

construction versus post-construction.

**Ms. Sproule:** — I guess I'm wondering about post-construction management rather than during construction. And I think, for example, roadway inspections, pavement repairs, and of course we know maintenance such as snow removal. Is there anything in the value-for-money report that deals with deficiencies in the post-completion management aspect of the contract?

**Mr. Pandya:** — The value-for-money report is meant to provide an overview of the project, and we don't specifically list the deficiencies' regime that is available again online in schedules 18 and 30. But again those are available online in schedule 18 and 30 that lay out the post-completion performance management system for the bypass.

**Ms. Sproule:** — So I can go online and find those documents?

**Mr. Pandya:** — Schedule 18 and the project agreement, yes.

**Ms. Sproule:** — 18? Okay, we'll have to take a look at that. One of the things we wanted to ask, and this is a Priority Sask question again, is on your web page, you say that you are responsible for ensuring that procurement across ministries is fair, open, transparent, and based on international best practice. I guess my question is, is once the work is being passed down through . . . [inaudible] . . . private sphere, do you have any ability or opportunity to ensure that your responsibility for ensuring procurement is fair, open, and transparent is actually being followed all the way down the supply chain?

**Mr. Pandya:** — So as part of the Priority Saskatchewan action plan, one of the elements of that plan is to look at vendor performance more broadly and to think of an application of vendor performance in assessing best value as one of the elements in assessing best value as part of any contract.

And so our mandate as government in terms of setting best practice in procurement is to work with executive government ministries and Crown corporations. There is interest on the part of municipalities, academic institutions, and other sectors in terms of our work. SUMA [Saskatchewan Urban Municipalities Association] and SARM [Saskatchewan Association of Rural Municipalities] are interested in the work. The cities are interested in the work to date and have received detailed briefings on the procurement and modernization initiative.

At the level of contract management, which is maybe the next phase after you kind of implement best practice in procurement, you know, we have certainly, because we're thinking about vendor performance, are thinking about that in the context of government procurement. At the level of private sector procurement — and I'm not sure if this was your question — but at the level of private sector procurement, you know, there are remedies in procurement law available for subcontractors who are subcontracted to a prime contractor.

Our hope would be, and why industry is so actively interested in the broader procurement modernization initiative, is that they see not only the opportunity to have access or equal access to government procurement, but they also see the broader applicability of the modernization of some of those tools to their own practice.

**Ms. Sproule:** — All right, thank you. I have now obtained a copy, thanks to the Clerk, of the payee details for \$50,000 and over for '15-16 in Public Accounts. And I have a number of questions in relation to that. Overall I think your budget for that year was \$13.673 million. Of that, \$9.7 million went to these payees over \$50,000. So it seems like a very large amount of sum. And now I know last year, which we haven't seen the Public Accounts for, and this year your budget is only for \$5 million. So my first question on this would be why the significant drop in budgeted allocation for SaskBuilds when your payee list was almost \$10 million in '15-16?

**Hon. Mr. Wyant:** — Well, I guess I'll answer it this way. Because the projects have kind of moved from the procurement to stage to the construction stage, there's less requirement. Honorariums have been paid out. A lot of expertise now we have in-house, which we previously didn't have, and so that would have a dramatic effect on those expenses.

**Ms. Sproule:** — I understand that Plenary Group trust received a payment of \$1.3 million in that year. And I believe that was for the Swift Current facility, the health facility, The Meadows. Why would that payment not be allocated to Health? Why was SaskBuilds responsible for that payment?

**Hon. Mr. Wyant:** — For the Plenary Group trust, there would have been a \$500,000 honorarium paid on the North Battleford hospital. There would have been a \$300,000 honorarium paid on the joint-use school project 1, and 500 on the joint-use school project no. 2. So that's the \$1.3 million.

**Ms. Sproule:** — So in that case, it wasn't for Swift Current, although that's what their website describes as their involvement in Saskatchewan. So we have the joint-use schools and the hospital in North Battleford. Why would those payments not be accrued to the line ministries that are responsible for the budgeting for those projects?

**Hon. Mr. Wyant:** — SaskBuilds is responsible for the procurement process, so that's why they're allocated there.

**Ms. Sproule:** — All right. You spent \$556,000 on lawyers, I believe from Toronto, for patent and trademark. They're a patent and trademark legal firm named Aird & Berlis. And you also spent \$207,000 on a BC [British Columbia] law firm, Bull, Housser & Tupper. Can you share with the committee what those payments were for?

**Hon. Mr. Wyant:** — Aird & Berlis, that amount was paid for the legal services for the Regina bypass and the joint-use school projects. Bull, Housser & Tupper was on the Swift Current and SHNB [Saskatchewan Hospital North Battleford].

I might just make a comment about that. Certainly P3s are relatively new in Saskatchewan, and these companies have expertise in that area. Since that time, there's been a developing expertise in this province with respect to P3 financing, but certainly they had the national expertise with respect to these projects. But it was always our intention to ensure that there was a development of that expertise in Saskatchewan, and we've heard from companies in Saskatchewan that are building that expertise.

**Ms. Sproule:** — I know there are number of patent and trademark lawyers here in Saskatchewan as well, so perhaps they'll be able to get the expertise at some point to be able to assist. Partnerships British Columbia Inc., you paid \$658,000 to them. Is that something you could share with the committee, what those expenses were for?

**Hon. Mr. Wyant:** — Those payments were for advisory services on a number of our P3 contracts. Certainly in those formative years, we were developing the expertise at SaskBuilds. I can tell you that the amount for '16-17 is going to be significantly less because of the expertise that we've built in-house at SaskBuilds.

**Ms. Sproule:** — Thanks. We'll be sure to look at that when Public Accounts comes out. Just one comment that I want to share is when I was going through all your staff, Mr. Pandya, I forgot to ask about Mr. Morrisette. And it wasn't sort of a personal insult or anything. I know you've already given me his wages. We've talked about planning and infrastructure through Mr. MacDonald's work. So I'm just going to say, my apologies, but we have so much else to find out that we won't be able to . . . Maybe next year, sorry.

**Mr. Pandya:** — He's an MCP10. I think that's the only information you'd . . . [inaudible].

[15:30]

**Ms. Sproule:** — Okay.

**Ms. Chartier:** — Moving on, so I've got a couple of questions now, Mr. Chair.

**The Chair:** — Go right ahead.

**Ms. Chartier:** — Okay. In April 2014 estimates, Mr. Pandya said that Torque Communications is contracted by SaskBuilds for the Swift Current long-term care facility. What is Torque Communications?

**Mr. Pandya:** — Thank you. So Torque Communications was brought on in early 2014, but this is prior to the hiring of Sarah Harrison who is our strategy engagement communications person. And so we had no communications support and brought Torque Communications on to assist SaskBuilds in communications around the project.

**Ms. Chartier:** — Okay, and where is Torque out of?

**Mr. Pandya:** — They are out of Sherwood Park, Alberta.

**Ms. Chartier:** — Okay. And how long and how much did we pay them?

**Mr. Pandya:** — We paid them from April to September, and the contract amount was some \$54,000.

**Ms. Chartier:** — Thank you for that. Just going on to P3 schools here today. What was the term of the \$1 lease signed with the municipalities for the land with these schools?

**Hon. Mr. Wyant:** — The details on that particular matter, that

would be in a matter between the Minister of Education and the school divisions and the municipalities, but we can get you what information we can find and get that to you.

**Ms. Chartier:** — That would be . . .

**Hon. Mr. Wyant:** — We just don't have that information.

**Ms. Chartier:** — Okay. Is there an issue if the municipalities change those terms? Will that have any impact on the P3 contract? So if municipalities, because of issues around this budget, make a decision to change those lease terms, how does that impact this?

**Hon. Mr. Wyant:** — Well, I understand the leases are in place for as long as the schools are there. I think that's probably a better question that it be put to the Minister of Education. In terms of how that would . . . I mean, it's a lease contract. It's enforceable; it's between the municipality and the school division. My opinion on that, that it wouldn't have any detrimental effect on the P3 contract if there was some new changes, but those changes couldn't be unilateral under the terms of the lease.

**Ms. Chartier:** — Okay. Going on to the Swift Current long-term care home. If you look at the . . . From the Cypress Health Region's annual report from 2015. So according to the Cypress Health Region's report, the balance of obligation — this was from the 2015-16 annual report — the balance of obligation was 142 million plus maintenance of 65 million, with a total of 207 million, with a total interest amount, 74.5 million. So there's about a total . . . And then the value-for-money assessment comparing them, so there's a total value of about \$279 million in payments for a facility valued today at \$108.6 million. So the facility in 2017 terms is valued at \$108.6 million. So there'll be a total of 279 or \$280 million in payments over the course of that lease. I'm just wondering your thoughts on that.

I guess, sorry, a more specific question is around, in the value for money where the other owner cost is listed, obviously. I'm wondering just why that full value of payments isn't accounted for under other owner costs in the Swift Current long-term care and the value-for-money assessment.

**Mr. Pandya:** — Thank you for the question. So maybe I could just note for the committee's information that of course we've accounted for public-private partnerships in present value, or net present value, as we've disclosed in our value-for-money reports, in our technical briefings to both opposition and media and in press releases, etc. So you know, I guess the important thing to understand is that we're paying for assets, or a portion of these assets, over some 30 years. And over 30 years, you will see dollars lose value. That's not a cost in the context of the project. And in fact as the minister stated earlier, all of our projects continue to remain on time and on budget.

So as part of the value-for-money report, the display in the Swift Current long-term care centre is presenting an apples-to-apples comparison. So this would be a fundamental principle of capital budgeting, to compare two projects, one with a very different long-term cash flow versus another with a shorter term cash flow, that you would discount those dollars to

the present value to determine what the investment decision ought to be. So the table that you see in the value-for-money report is in fact the present value of that project.

I would note a couple of just other things, other than the fact that the disclosure that this is in fact a net present value and that the accounting treatment would be some combination of nominal and net present values as disclosed in this report. But I would note that the Provincial Auditor's part of volume 1, 2015 assessment of SaskBuilds' process for assessing P3s looked at all of the cash flows, at the net present value reports, and deemed that we had an effective process for assessing when to use a public-private partnership.

**Ms. Chartier:** — Just for clarity's sake then, just . . . And I am not an accountant, just to be clear. I was a reporter and a social worker, not an accountant. So we will . . . Is it correct that the Cypress Health Region will make an average monthly cash payment of 766,000 over the 30-year contract? I'm looking at the project costs, when you look at that.

**Mr. Pandya:** — That is in fact correct and is disclosed in the value-for-money report.

**Ms. Chartier:** — Yes. So I'm just . . . So over the lifespan of a \$108 million project, we're paying 207 — what was it? — well 280 million in payments for a facility valued today at 108. Just for clarity's sake, I just . . . Is that . . . is the case. So we paid 108 . . . We will be paying 280 million for a facility valued today at 108.6 million.

**Mr. Pandya:** — So the present value for the Swift Current long-term care centre, as per our value-for-money report, is 108.5 million. And in 30-year dollars, you're paying 279 million. That's correct.

**Ms. Chartier:** — Thank you. I'll pass it off to my colleague here.

**Ms. Sproule:** — A few more questions, Mr. Chair. Thank you. Just wanted to get a little more sense of the people under the payee report and what sort of work they were also providing for SaskBuilds. So we talked about the lawyers. We talked about Plenary Group Trust. The single most, largest amount that was paid was to a group — I don't know if I can pronounce this — Hochtief PPP Solutions North American Inc. for \$1.5 million. Can you share with the committee what the essence of that arrangement was?

**Hon. Mr. Wyant:** — That's the honorarium paid for the bypass.

**Ms. Sproule:** — When you say honorarium, usually that's something you give somebody a hundred bucks to show up at a meeting. So when it's \$1.5 million, is that a contractual arrangement, and why is it deemed to be an honorarium?

**Hon. Mr. Wyant:** — So under the bid arrangement, after the . . . when the bids are submitted, as a contractual matter, there's an honorarium paid to each of the unsuccessful bidders on those contracts. And in exchange for that, all the proprietary information becomes the property of the government. It's important to remember that the people that are bidding on these

contracts put a significant amount of time and energy and resources into preparing their bids, and so it's a standard part of P3 practice that honorariums are paid to unsuccessful bidders.

**Ms. Sproule:** — So when you describe the honorariums for Plenary Group Trust, would that be a similar situation, that they were being given money for being unsuccessful in the bid?

**Hon. Mr. Wyant:** — It's calculated at about 30 per cent of the design cost. But as I said before, these are standard operating protocols with respect to P3s. And it's not an unknown protocol with respect to other design-build contracts as well. So it's not unique to P3s, but typically those honorariums are paid to the unsuccessful proponents.

**Ms. Sproule:** — Can you share with the committee what other payments were made that year as honorariums?

**Hon. Mr. Wyant:** — On the Swift Current long-term care facility, there were two payments of \$300,000. On the Saskatchewan Hospital in North Battleford, there were two payments of \$500,000. On the Regina bypass, there was three payments totalling \$3 million. That's \$1.5 million for each. On the joint-use school project no. 1, there were \$300,000 for each of two, and \$500,000 on project no. 2; \$500,000 for each. So for a total distribution amount in '15-16 of \$5.6 million.

I shouldn't say . . . I'm sorry. \$5.6 million in '15-16; \$600,000 of that was paid in '14-15 and that was with respect to the Swift Current long-term care.

[15:45]

**Ms. Sproule:** — Okay, I just had a lot of numbers thrown out there. So in '15-16, of this \$9.7 million, you're saying 5.6 million was for honorariums that went to unsuccessful bidders.

**Hon. Mr. Wyant:** — That's correct.

**Ms. Sproule:** — All right. And I just want to make sure I understand which one of these . . . So for Kiewit Canada Development Corp, does that reflect honorariums there — 937,500?

**Hon. Mr. Wyant:** — That's right. And the balance of the \$1.5 million was to SNC Lavalin. They were partners in that particular bid, and so the honorarium was divided between the two of them.

**Ms. Sproule:** — All right. And then Gracorp Capital Partners LP, 800,000 was an honorarium?

**Hon. Mr. Wyant:** — It was 500,000 . . . \$5,000 . . . \$300,000 with respect to joint-use school 1, and \$500,000 with respect to joint-use school project 2.

**Ms. Sproule:** — All right. And then Cannon Design Architecture Inc., \$675,000. What does that represent?

**Hon. Mr. Wyant:** — That was the owner's engineer for SHNB.

**Ms. Sproule:** — Pardon me. Could you . . .

**Hon. Mr. Wyant:** — I'm sorry. That was the owner's engineer, owner's engineering . . . [inaudible] . . . for the North Battleford Hospital.

**Ms. Sproule:** — I'm sorry, I didn't understand what you just said. The owner's engineer?

**Hon. Mr. Wyant:** — Right.

**Ms. Sproule:** — What does that mean? The owner of what? Who's engineer are we talking about? I'm a layperson here, bear with me.

**Hon. Mr. Wyant:** — They were providing the government, through SaskBuilds, engineering services with respect to the proposed project.

**Ms. Sproule:** — They were providing engineering services to whom?

**Hon. Mr. Wyant:** — I'm sorry.

**Ms. Sproule:** — I'm just afraid I don't understand what Cannon Design Architecture, who they were accountable to, who they were hired by, and what services they were providing. I just . . . It's not sinking in.

**Ms. Florizone:** — Cannon Design is the owner's engineer who provides very technical services through the procurement process of a P3. There is what's called the public output specs, and those are very technical. They are the . . . what is the output requirements of a P3 performance. And on that the engineers are the ones that are providing that information.

And then once the procurement is done, there is the design and construction portion. And because you're only getting at the time of award 30 per cent complete, at the time you award the contract, there's another 70 per cent that has to happen through the design and construction phase. And during that design and construction phase, the owner's engineers help provide that service for SaskBuilds.

**Ms. Sproule:** — Okay. And who's the owner here? Owner's engineer? Owner's . . .?

**Ms. Florizone:** — It's the government.

**Ms. Sproule:** — The government . . . The engineering firm that the Government of Saskatchewan hired to do the engineering supervision and oversight?

**Ms. Florizone:** — Right.

**Hon. Mr. Wyant:** — Through SaskBuilds.

**Ms. Sproule:** — Through SaskBuilds. So it's your engineering company, basically.

**Hon. Mr. Wyant:** — Right. I just want to point out for the record that all these amounts that we've been referring to are all calculated as included in the value-for-money report as part of the entire contract amounts. So they're all accounted for in those. They're not . . .

**Ms. Sproule:** — That was actually going to be my very next question. So for example if we're looking at the North Battleford value-for-money report, where would that show up?

**Hon. Mr. Wyant:** — It would show up in the transactional costs.

**Ms. Sproule:** — Can you give us a page number?

**Hon. Mr. Wyant:** — Page 25 for . . . on the North Battleford facility.

**Ms. Sproule:** — All right. I just want to make sure I understand this totally. So on page 25, the value-for-money assessment for the North Battleford hospital project, there's DBFM [design, build, finance, maintain contract], NPV [net present value] costs. Is that included in there? Or is it in the summary page part of the page?

**Hon. Mr. Wyant:** — It's included in the ancillary cost line.

**Ms. Sproule:** — So that's in this case \$10 million? And what portion of that \$10 million is made up of these honorariums?

**Hon. Mr. Wyant:** — \$1 million for that project.

**Ms. Sproule:** — What would the other \$9 million reflect?

**Hon. Mr. Wyant:** — That would include the owner's engineers costs, other ancillary costs. We can get you a break . . . [inaudible interjection] . . . Legal advice. There's a number of things that go into that.

**Ms. Sproule:** — I think, Mr. Minister, it would be really helpful to have that, not just for the North Battleford one, but for all the value-for-money assessment reports that have been done today. If you could break down those ancillary costs and provide us a summary of that.

**Hon. Mr. Wyant:** — We're happy to do that.

**Ms. Sproule:** — Thank you. Thank you very much. All right. Going then down the list of payees, I assume many more of these would be the honorariums. For Ministry of Central Services, there was a half million dollars there — Minister of Finance, Ministry of Central Services. Can you share with the committee what that payment was for?

**Mr. Pandya:** — So in response to your question, the payment to Central Services is for shared services. So we provide Central Services our lease costs for the space that we lease at our office space, as well as services that they provide SaskBuilds for IT [information technology] services — our cost for IT.

**Ms. Sproule:** — All right. Thank you. In terms of your rent for the space you're in right now, could you share with the committee what square footage you have and what your annual lease payments are for your offices?

**Hon. Mr. Wyant:** — It's 1109 square metres at an annual cost of \$376,117.

**Ms. Sproule:** — So you would pay that to Central Services

annually, \$376,000?

**Hon. Mr. Wyant:** — That's right. It's about \$339 per square metre.

**Ms. Chartier:** — A question around . . . to Minister Wyant, so I know we've talked about conflict of interest earlier and, Mr. Pandya, you said there's a robust process. So I'm wondering how Minister Wyant has handled his own conflict of interest with his shareholding relationship with IRD [International Road Dynamics] who have a contract on the Regina bypass. So if you could give us some ideas of how you've handled that.

**Hon. Mr. Wyant:** — Well certainly I've disclosed my ownership in those shares of International Road Dynamics. You may know that I was a board member and general counsel of IRD for quite a number of years, and I acquired those shares as a result of my role as a director of that company. I've talked to the Conflict of Interest Commissioner about it. His view of life is that I don't have a conflict of interest.

I might tell you though that I have had another discussion with him, and from an optics perspective we thought it was in the best interest that I dispose of those, although he still maintains the position, and I do too, that I don't have a conflict. IRD is a sub-contractor of a sub-contractor to the Regina Bypass Partners, and so there's no direct relationship between International Road Dynamics and the Government of Saskatchewan.

**Ms. Chartier:** — Thank you for that. So when did you sell your shares?

**Hon. Mr. Wyant:** — Well I've instructed my broker to sell them. I don't believe they've been sold yet. I think the company's actually been sold, so I think the whole matter's all tied up in that particular transaction.

**Ms. Chartier:** — Can you tell me when IRD got a contract for the Regina bypass and for how much?

**Hon. Mr. Wyant:** — I can't tell you that. I don't have those details. We could ask for those details.

**Ms. Chartier:** — If you could ask for those details, that would be great.

**Hon. Mr. Wyant:** — International Road Dynamics is a publicly traded company, and I'm not sure if they publicly disclose that particular contract. They may well have.

**Ms. Chartier:** — Okay. If you could commit to getting that, that would be great. Thank you.

**Ms. Sproule:** — Mr. Chair, I'm back.

I was looking through your annual report, and you described the team that SaskBuilds has assembled. And you've talked about your 22 full-time employees, the people that you hire such as cost estimators and lawyers. So that's the first part of my question is, who are the cost estimators that you have engaged, well I guess in the past year and maybe, if you know, for '17-18 as well?

**Mr. Pandya:** — So thank you for the question. So our quantity surveyors are professional cost estimators who have detailed experience in costing major infrastructure projects. And as part of the requirements, as part of our due diligence process on P3s, we need those professional cost estimators so we understand the total magnitude of the cost of the build that we're engaged in. I should note that as part of our innovative capital planning process, we're requiring professional cost estimation to occur as part of detailed business cases for all capital projects going forward.

So I'd note that for . . . The question was, who are those quantity surveyors? Turner & Townsend is one of the professional quantity surveyors, and SSA Quantity Surveyors Ltd. is the other professional quantity surveyor.

[16:00]

**Ms. Sproule:** — Thank you for that. And then further on, you also refer to the help of a dedicated group of business leaders and industry association representatives. Is that a specific group of people? And if so, could you share a list of those names with the committee, please?

**Mr. Pandya:** — Could you remind me again, member, what annual report you're looking at. Is that '15 . . .

**Ms. Sproule:** — The most recent, '15-16, page 4, where you describe your team.

**Mr. Pandya:** — Thank you for that question. That paragraph refers to the industry engagement with our Priority Saskatchewan initiative, and it is not a formal advisory committee of the government, although we meet with the heads of all of the major industry associations as part of the input into that process.

**Ms. Sproule:** — Thank you.

**Ms. Chartier:** — Okay. I know we're almost out of time here. A quick question about the P3 schools. So in the 2017-18 line item in estimates under Education, P3 joint-use schools, maintenance and interest charges is 9.712. So I'm wondering how much of that is hard maintenance. I'm assuming that it's all hard maintenance. And how much of that is interest?

**Mr. Pandya:** — So thanks for the question. So that is in fact in the Education estimates. Our assessment of that information, that it's approximately a one-third/two-thirds split between interest expense and life cycle and maintenance costs. And I would note that if there's any sort of follow-up required, we can ask our colleagues in the Ministry of Education to break it out.

Oh I think the second part of your question was, is it all hard maintenance? And the answer is yes.

**Ms. Chartier:** — So, sorry, is the one-third the interest in life cycle or is that the hard maintenance?

**Mr. Pandya:** — No, that's correct. It's life cycle maintenance is the one.

**Ms. Chartier:** — And then the two-thirds is maintenance. Or

you said . . .

**Mr. Pandya:** — That's appropriation for the interest expense.

**Ms. Chartier:** — Okay.

**The Chair:** — Since we've reached our allotted time limit this afternoon, I would like to thank all the members, and I'll leave it for the minister to give us some . . . [inaudible interjection] . . . 4:07 is exactly when we . . .

**Ms. Sproule:** — It was 4:06 when you said that.

**The Chair:** — Okay, it's . . . We started at 1:07. Three hours of deliberation by my math, I think is 4:07, so we will ask the minister if he has any final comments for the committee this afternoon.

**Hon. Mr. Wyant:** — I do have a couple, Mr. Chair. First of all, at the beginning of the questions, I know Ms. Sproule commented that I was trying to get some things off my chest. My intention in questioning in my opening statement was simply to correct the record with respect to the statements that had, made by Mr. Belanger.

I do want to thank the Chair, and I do want to thank the committee for its patience, and the officials that are here today to support me. I want to thank Hansard.

I normally extend my appreciation to committee members, and I think generally speaking, the questions were quite respectful, Mr. Speaker, with the exception of the question that was asked by Ms. Chartier with respect to raising the spectre of the conflict of interest, and knowing full well . . . and she knows full well that I don't have a conflict of interest. And I found that question to be completely disrespectful. And I think the intent to impugn one's character and one's reputation, I didn't appreciate very much, Mr. Chair.

**The Chair:** — I appreciate that comment from the minister and since we are just over time . . . [inaudible interjection] . . . I'll give you . . . Make it brief. We want to get to adjournment here.

**Ms. Sproule:** — Absolutely. On behalf of the official opposition, Mr. Chair, I would like to thank the officials for their hard work and answers today. And it's certainly a hot afternoon so I know I want to get out of here.

But just in response to your comment, Mr. Wyant, you know those are hard questions to ask as well, and it's important, I think, for everyone to get those on the record to be perfectly clear. As you know how bias can be reasonably apprehended, so this is something that is important. Those questions need to be asked. They are not fun to ask either. But I don't think Ms. Chartier meant any harm to your character. It was just an important question to get on the record.

**The Chair:** — All right. Thank you for that, and again I echo the minister's comments about officials. Thank you for the hard work you do.

I will now ask for a member for a motion of adjournment. I recognize Mr. Bonk. He has moved that. Are we all agreed on



that?

**Some Hon. Members:** — Agreed.

**The Chair:** — That's carried. This committee stands adjourned until Monday, May 8th, 2017 at 3 p.m. Everybody, please have a safe trip back home.

[The committee adjourned at 16:09.]