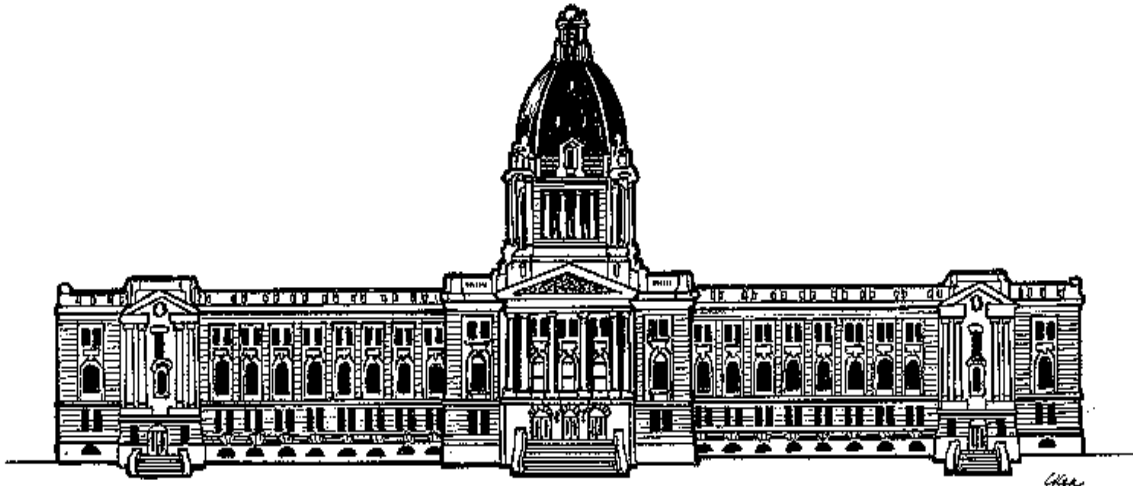




STANDING COMMITTEE ON HUMAN SERVICES

Hansard Verbatim Report

No. 18 – May 4, 2005



Legislative Assembly of Saskatchewan

Twenty-fifth Legislature

**STANDING COMMITTEE ON HUMAN SERVICES
2005**

Ms. Judy Junor, Chair
Saskatoon Eastview

Mr. Michael Chisholm, Deputy Chair
Cut Knife-Turtleford

Mr. Lon Borgerson
Saskatchewan Rivers

Hon. Joanne Crofford
Regina Rosemont

Mr. Glenn Hagel
Moose Jaw North

Mr. Ted Merriman
Saskatoon Northwest

Mr. Don Toth
Moosomin

[The committee met at 15:00.]

The Chair: — Good afternoon. The committee has four Justice Bills before the committee and estimates for the Department of Community Resources and Employment.

The first order of business is Bill No. 90, The Adult Guardianship and Co-decision-making Amendment Act, 2005. I ask the minister to introduce his officials and if he has any introductory comments regarding the Bill.

**Bill No. 90 — The Adult Guardianship and
Co-decision-making Amendment Act, 2005**

Clause 1

Hon. Mr. Quennell: — Thank you, Madam Chair. To my right is Ron Kruzeniski, Q.C., [Queen's Counsel] Public Guardian and Trustee for Saskatchewan, and to my left is Andrea Seale, Crown counsel, legislative services.

The first Bill this afternoon is The Adult Guardianship and Co-decision-making Amendment Act, 2005. This amendment will affect legal proceedings respecting contracts entered into by adults for whom property guardians have been appointed within a year of the execution of the contracts.

Where the question of what the other party of the contract knew about the adult's capacity arises, that party will have the onus to show that he or she did not have reasonable grounds to believe the adult lacked capacity at the time of the contract.

Financial abuse of vulnerable adults is a major problem and one that is often difficult to identify, prove, and stop. When adults have reduced capacity they become particularly susceptible to such abuse. The recommended provision aims to ensure the protection of vulnerable people who have been taken advantage of prior to their coming under guardianship.

At common law, a contract is void about the time . . . at the instance of an incompetent person, or his or her representative, if he or she establishes that: (1) at the time of the contract the adult in question was mentally incompetent; (2) by reason of this incompetence, the adult was incapable of understanding the nature and effect of the contract and; (3) the other party had actual or constructive knowledge of the incompetence.

The proposed amendment will shift the onus with respect to the third part of this test with respect to contracts entered into in the year before the granting of a guardianship, so that the other party will have to show that he or she did not have reasonable grounds to believe the adult lacked capacity at the time of the contract.

The Chair: — Clause 1, short title. Is Clause 1 agreed? Questions. Mr. Morgan.

Mr. Morgan: — I'd like to ask the minister, is this Bill being introduced as a result of specific litigation that took place in the province?

Hon. Mr. Quennell: — No, no specific litigation. A lot of

issues around financial abuse, and financial abuse that's taken place before a guardianship is in place comes to the attention of the Public Guardian and Trustee. I think that's fair to say.

I don't think you'll have had to have practised law in Saskatchewan to be able to conceive of circumstances where by the time a guardian is appointed, the assets of a person who is perhaps been in need of a guardian for some considerable time before that appointment, are dissipated by someone who was probably well aware of the adult's inability to enter into contracts with full knowledge and consent to what he or she was doing.

Mr. Morgan: — I think, Mr. Minister, most people are well aware that there are situations like that, and most people in the province will be supportive of it. And I guess my question was just whether there was specific instances where litigation had been necessary or where they were acting just on general interest from the public?

And my next question would be, are we doing this as part of or in response to what's taking place in other provinces or other jurisdictions? Are they enacting similar legislation?

Hon. Mr. Quennell: — I'm advised that Ontario is the only province with a similar provision. And their provision was looked at when this Bill was drafted.

Mr. Morgan: — The Bill uses a one-year time period where this reverse onus exists. And the Bill is silent as to how that onus might be met, or what considerations the court might use in determining how the onus can or should be met. And I'm wondering if you could comment on what the opinion of the department might be as to how this would take place, or how the onus would be met, or how somebody that's being challenged would deal with this type of issue.

Hon. Mr. Quennell: — It's going to be a question of evidence in each particular case and to the discretion of the trial judge looking at the case as to whether the burden is met, whether there's been sufficient evidence called, and whether the evidence has the weight necessary but the . . . And to try to set out in the Bill what might be evidence in particular cases I think would be just too difficult to do, and so really there's . . . What the Bill does is it shifts the burden of common law. The common law doesn't set out what evidence might need to be called in any particular case, just what test has to be met and who has to meet it. And this shifts the test or the onus for one part of the test.

Mr. Morgan: — The Act also places an onus on the Public Guardian and Public Trustee office. I'm wondering what directions or what material has been provided to people that are their property guardians or people that may have been appointed pursuant to that legislation.

Hon. Mr. Quennell: — I'm not sure I understand the question. What onus on the Public Trustee?

Mr. Morgan: — What your legislation does is it talks about a person that's been appointed as a property guardian, I realize not a government official, but if people are looking for

information from your department as to what their obligations might be if they are appointed, I'm wondering what kind of directions or what kind of assistance the department might give them.

Hon. Mr. Quennell: — Maybe Mr. Kruzeniski could talk about the duties of a property guardian or a temporary property guardian. They're not changed by this amendment Act.

Mr. Kruzeniski: — Basically our office provides any property guardian who inquires, or a prospective property guardian, with what we call an adult guardianship manual. And it has sort of a summarized version of what the Act says. And it has the instructions as to how you fill out all the forms and where you can locate the forms. So anyone in the province who requests that can get that manual.

If this Bill passes through the Legislative Assembly then we would have to do an amendment or an addendum to add to that manual so that the people were now notified of this particular provision.

Mr. Morgan: — That was exactly the direction that I was going, was looking to ensure that the information that was being provided to the public was brought up to date and that they were given some assistance when they're doing it because I'm well aware as most practitioners are, that a lot of people like to make these applications without the assistance of a lawyer. There's been a change in the onus that's there. Somebody may well be appointed and may want to exercise their rights to try and set aside or deal with this and they certainly should have access to that information.

Madam Chair, I think we're ready to vote this one.

The Chair: — Thank you. Is clause 1 agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 and 3 agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Adult Guardianship and Co-decision-making Amendment Act, 2005.

If a member could move that this committee report Bill No. 90, The Adult Guardianship and Co-decision-making Amendment Act, 2005, without amendment. Mr. Hagel, thank you.

It has been moved by Mr. Hagel that Bill No. 90, The Adult Guardianship and Co-decision-making Amendment Act, 2005 be reported without amendment. Is the committee ready for the question?

Some Hon. Members: — Question.

The Chair: — Is it the pleasure of the committee to adopt the motion?

Some Hon. Members: — Agreed.

The Chair: — It is carried then.

**Bill No. 92 — The International Protection of Adults
(Hague Convention Implementation) Act/Loi de mise en
oeuvre de la Convention de la Haye sur la protection
internationale des adultes**

Clause 1

The Chair: — The next Bill is Bill 92, The International Protection of Adults (Hague Convention Implementation) Act. Same officials. If the minister has any comments on this one?

Hon. Mr. Quennell: — Just briefly, Madam Chair. The legislation is The International Protection of Adults (Hague Convention Implementation) Act. The Act is based on a uniform Act prepared for the Uniform Law Conference of Canada. The purpose of the uniform Act is to provide Canadian jurisdictions with a framework for implementation of the 2000 Hague Convention on the International Protection of Adults.

The Act is a short Act which will expressly give the force of law to the convention which will be set out as a schedule to the Act. The convention provides protection of those adults who by reason of an impairment, or insufficiency of personal faculties are not in a position to protect their person or property.

The convention addresses problems raised by the increase in transport or movement of vulnerable adults. It addresses such issues as jurisdiction to take measures to protect the person or property of vulnerable adults, the law to be applied in exercising jurisdiction, the interjurisdictional recognition and enforcement of protective measures in co-operation between state authorities.

Under the Act a central authority will be designated to carry out the duties under the convention. This central authority will be the Minister of Justice, but the duties of the central authority will be delegated to the Public Guardian and Trustee in Saskatchewan. These duties relate to interjurisdictional dealings with respect to the protection of vulnerable adults.

Mr. Morgan: — I'm wondering which other countries and which other provinces have participated in passing companion legislation.

Hon. Mr. Quennell: — The other countries that have already put the convention . . . implemented the convention, those jurisdictions are Germany, Netherlands, France, and the United Kingdom. Saskatchewan would be the first province.

Mr. Morgan: — I'm wondering, is there . . . do you have a timeline? What's going to happen in the other provinces, or what may happen elsewhere?

Hon. Mr. Quennell: — We don't have a timeline on what other provinces may join the queue, but apparently past history suggests that once one province brings in an Act like this that others are quick to follow.

Mr. Morgan: — Is your department, Minister, aware of any provinces that are refusing to participate at this point?

Hon. Mr. Quennell: — Not actively refusing, no.

Mr. Morgan: — Not actively, I take it, you mean there's some that have some reservations or some concerns?

Hon. Mr. Quennell: — No reservations that I'm aware of. It's just the term refusal suggests that they have suggested or stated that they would not participate, and there's been no such statements.

Mr. Morgan: — Your representations to the committee are that, so far as you're aware, all other jurisdictions in this country will eventually pass this and that you're not aware of any reason why it will be slowed down or impeded anywhere else.

Hon. Mr. Quennell: — My understanding is that to the best of our knowledge all other jurisdictions in the country are willing to pass this legislation or similar legislation enacting the convention within their jurisdiction, and that there is no reason to believe that other jurisdictions in the country won't quickly follow Saskatchewan's lead.

Mr. Morgan: — Are we aware of any situations in Saskatchewan right now where this would likely be applied?

Hon. Mr. Quennell: — No.

Mr. Morgan: — The discussion in the Bill talks about impairment. I'm wondering what case law or jurisprudence might define or determine impairment. Would we be relying on existing case law or would we be looking at international law?

Hon. Mr. Quennell: — I assume we would be relying, or the courts would be relying on making decisions defining terms within the convention for the purposes of applying the convention in Saskatchewan to Canadian case law.

Mr. Morgan: — Does the department have a strategy for public information regarding this or making the Law Society and members of the Law Society aware of it?

Hon. Mr. Quennell: — At a minimum, and it's the only assurance I can give the committee now, there will be a posting upon passage of the Bill on the Law Society website.

Mr. Morgan: — The Hague Convention applies to a number of countries that you'd mentioned earlier. What steps are being taken to deal with the US [United States]?

Hon. Mr. Quennell: — I don't think we have any influence on that.

Mr. Morgan: — Is there any desire on the part of the US that you're aware of to participate in the Hague Convention at all? Is that . . .

Hon. Mr. Quennell: — We wouldn't have any information on that.

Mr. Morgan: — My question is going to be is, what will happen if we pass this and then the US comes to us later on and says they have a companion provision that they would like us to

participate in a separate arrangement dealing with American law? Is this going to preclude or prevent something happening?

Hon. Mr. Quennell: — I can't and neither can my counsel here conceive of an effect that this would have on an arrangement with a non-signatory. In other words, if Saskatchewan or some other Canadian jurisdiction wanted to enter into an agreement with a state or the American government around these issues, why the Hague Convention would have any effect, negative or otherwise.

Mr. Morgan: — My concern specifically is not trying to pander to the US in priority to any other country. But we have more Canadians that have got strong ties with the US. And I'm somewhat troubled that we're making an arrangement where we're participating with European countries and we haven't really addressed whether that, or consulted with the Americans to determine whether there's something that may be coming from there. But in the event if that's something where there hasn't been consultation . . .

Hon. Mr. Quennell: — If anything, there's the probability that a bilateral agreement or bilateral convention between Canadian jurisdictions and American jurisdictions would — I'm not sure this is the legal term — trump the multilateral convention in any case. So I don't think the members need to be troubled about that aspect of the case or of that aspect of the Bill.

Mr. Morgan: — Madam Chair, I think we're ready to vote this.

The Chair: — Thank you. Is clause 1 agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 7 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan enacts as follows: The International Protection of Adults (Hague Convention Implementation) Act.

That this committee report Bill No. 92, The International Protection of Adults (Hague Convention Implementation) Act, without amendment. I need a mover. Mr. Hagel, again.

It has been moved by Mr. Hagel that Bill No. 92, The International Protection of Adults (Hague Convention Implementation) Act, be reported without amendment. Is the committee ready for the question?

Some Hon. Members: — Agreed.

The Chair: — Is it the pleasure of the committee to adopt the motion?

Some Hon. Members: — Agreed.

The Chair: — That is carried. The next Bill is Bill No. 101, The Enforcement of Foreign Judgments Act. Mr. Morgan?

Mr. Morgan: — Before we move to the next Bill. We will

likely be done this before 4 o'clock when the CRE [Community Resources and Employment] estimates start. I presume it will be in order to adjourn briefly at that time to allow the officials to . . . that I don't need to have people here in advance of that. I'm just asking, wanting to confirm that we're in order to adjourn if . . .

A Member: — Recess.

Mr. Morgan: — Whatever you like, just so long as we're not . . .

The Chair: — Because we can give them notice that they can be here in 15 minutes, do you think?

Mr. Morgan: — Yes, sure.

The Chair: — Do you want to do that? Okay. Thanks.

Bill No. 101 — The Enforcement of Foreign Judgments Act/Loi sur l'exécution des jugements étrangers

Clause 1

The Chair: — The next Bill, No. 101, The Enforcement of Foreign Judgments Act. The minister has a new official to introduce or comments to make.

Hon. Mr. Quennell: — Yes. Joining me is Darcy McGovern, Crown counsel, legislative services.

The purpose of this Bill is to establish a balance that would permit the enforcement of procedurally fair and financially reasonable foreign judgments while ensuring that Saskatchewan residents are protected from the enforcement of inappropriate judgments reached in other countries. The Bill does this by establishing the applicable legal rules for recognition and enforcement of such judgments rather than by simply relying on the reciprocity of enforcement between states.

Under this Bill, foreign judgments will only be recognized in Saskatchewan where they meet specific criteria and will only be enforced to the extent a similar Saskatchewan judgment would be enforced. This is a uniform Act from the Uniform Law Conference of Canada which has been recommended for implementation in all provinces and territories. It establishes that where a foreign court had a real and substantial connection to the subject matter for which the judgment issued, that judgment may be registered and entered in Saskatchewan but only to the extent that a similar Saskatchewan judgment could be enforced.

As the Saskatchewan and Canadian economies have become ever more internationally integrated, a uniform Canadian standard for enforcement of foreign judgments is desirable to increase predictability in the international marketplace and to avoid a multiplicity of legal actions for Saskatchewan residents.

This Bill will assist Saskatchewan individuals and businesses by avoiding the expense and time delay of requiring all legitimate foreign judgments to be retried in Saskatchewan before they are enforced.

The Chair: — Questions? Mr. Morgan.

Mr. Morgan: — I note that there's some specific exclusions in this Bill, one of them being fines imposed by another jurisdiction. And I presume this came out of the uniform law model, but I'm wondering the rationale for exclusion of fines.

Hon. Mr. Quennell: — The purpose of the Bill is to provide for reciprocity in respect to civil judgments arising from litigation in jurisdictions outside of Saskatchewan. And the reason that . . . the reasoning behind excluding fines is the same reasoning behind excluding any other kind of penal sanctions. This is in respect to civil law, civil lawsuits.

Fines are imposed in different jurisdictions for different social policy reasons. They are not necessarily the amounts or even the heads of damage that a court would award.

Mr. Morgan: — I appreciate the rationale you're putting forward, that there may be different social policies. But most of the areas that we would be reciprocating with, where we've prescribed a method for determining how the civil remedy would be determined, how we would deal with whether a civil judgment was appropriate, whether it included punitive damage, etc., why would we not want to do the same thing for fines? I'm thinking specifically from an out-of-province, out-of-country dollar fine. Why would that jurisdiction not be entitled to the same civil remedies if they were able to make an application here and convince a judge that that fine was appropriate?

I think that's something that may well be better determined by a court than by being precluded by legislation.

Hon. Mr. Quennell: — This Act is, I suppose, by its title, defined as in respect to foreign judgments and these are foreign civil judgments. The imposition of fines by foreign governments and recognizing each, and collecting fines for other governments — and I suppose under the basis that those other governments would collect our fines — would be outside the ambit of this Act, for starters.

Mr. Morgan: — Revenue Canada . . . Canada Customs and Revenue Agency uses a civil judgment process to collect income tax and outstanding taxes. I'm wondering why another jurisdiction would be precluded from collecting taxes. There'd . . . would generally in my view would fall under the same category as any other kind of civil remedy.

Hon. Mr. Quennell: — The exclusions are for areas of, as I said before, social policy, the collection of taxes, imposition of fines and penalties. The Act looks out to recognize the judgments in civil cases of other courts and not to recognize and follow from one jurisdiction or another the social policies of the other jurisdiction.

Mr. Morgan: — This Act will replace an existing piece of legislation?

Hon. Mr. Quennell: — Yes.

Mr. Morgan: — Were we aware of specific problems or complaints we had with the other Act, or are we merely trying to bring ourselves into compliance with a uniform law model?

Hon. Mr. Quennell: — We had, perhaps along with New Brunswick, the most restrictive legislation in the country. And there was a concern that to a certain extent Saskatchewan was a judgment haven in the sense that cases which had been litigated somewhere else by a court using, you know, procedures and standards that we would accept and acknowledge as appropriate had to be entirely re-litigated in the province of Saskatchewan. So the legislation we're replacing is not similar to most of the legislation in the country. And moving forward with a uniform law Act that's recommended to be adopted by all provinces will bring us in harmony with other provincial jurisdictions.

Mr. Morgan: — I'm wondering if your department has kept statistics as to how many applications were brought under the old legislation and how many applications they would anticipate under this piece of legislation on an annual basis.

Hon. Mr. Quennell: — No one would have been keeping statistics on whether litigation was based on a cause of action arising in Saskatchewan that had not been litigated previously or based on a foreign judgment. I think that would be quite an onerous job to go through the western law reports and try to come up with those numbers.

Mr. Morgan: — My question was simply whether there's been a log of applications under the existing legislation as to how many judgments were registered in the province.

Hon. Mr. Quennell: — The way that the legislation would have . . . what would have happened is that someone would have a judgment from another jurisdiction and would be re-litigating the case here because there was a defendant here and . . .

Mr. Morgan: — That wasn't the question.

Hon. Mr. Quennell: — It wouldn't be an application.

Mr. Morgan: — The question simply was, under the old legislation, how many foreign judgments get registered in Saskatchewan in a given year? Is that something that we keep a statistic on?

Hon. Mr. Quennell: — The department doesn't have such a statistic. We can check with the courts and see if they keep such a statistic. I'd be surprised.

Mr. Morgan: — My concern is financial. And I think you've answered my question. What I'm concerned with is, you'd made the comment and I agree with it, that this will make it somewhat easier to bring a successful application to have an out-of-province judgment registered here. So I'm wondering whether we will have an issue with resources in our courts if we see a number of out-of-country or out-of-province, out-of-jurisdiction judgments that come in to be registered. So that's . . .

Hon. Mr. Quennell: — I'd expect that we actually would have less of a strain on court resources because it would be easier just to register the judgment than use the resources it would take to re-litigate it.

Mr. Morgan: — Minister, the Bill imposes a timeline that . . .

there's a timeline trigger for when the currency conversion is done if the foreign judgment that's to be registered is in another currency. And it seems that that's something that's done by statute rather than done at the discretion of the court. And what I worry is that the applicant might be able to use the timing to trigger something at an opportune moment when currency is there and might sit on it, on a judgment otherwise. And I'm wondering whether that is something better to let the courts determine rather than a statutory provision that's controlled by the applicant.

Hon. Mr. Quennell: — Well if your concern was that a judgment creditor would play the currency markets by when they chose to register their judgment, the actual trigger date is when the judgment debtor makes a payment on the judgment. So the debtor actually can decide, I think, the currency is going to go against me; maybe I should start paying on the debt.

Mr. Morgan: — Fair enough.

Hon. Mr. Quennell: — And again it's a provision from the uniform law Act.

Mr. Morgan: — Madam Chair, I'm prepared to vote this one.

The Chair: — Okay, there's 19 clauses in this Act. If the committee will indulge, we can agree to clause 1 to 19 with one vote. Agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 19 inclusive agreed to.]

The Chair: — That is carried. Then Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Enforcement of Foreign Judgments Act.

We need a member to move that this committee report Bill No. 101, The Enforcement of Foreign Judgments Act without amendment. Mr. Hagel. It's been moved by Mr. Hagel that this Bill No. 101, The Enforcement of Foreign Judgments Act be reported without amendment. Is the committee ready for the question?

Some Hon. Members: — Question.

The Chair: — Is it the pleasure of the committee to adopt this motion?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Bill No. 103 — The Real Estate Amendment Act, 2005

Clause 1

The Chair: — The next Bill is Bill 103, The Real Estate Amendment Act, 2005. The minister has new officials and comments on this Bill.

Hon. Mr. Quennell: — To my left is Jim Hall, Superintendent of Real Estate, to my right is Karen Pflanzner, Crown counsel, legislative services.

The purpose of this Bill is to enhance the ability of the Saskatchewan Real Estate Commission to administer and enforce The Real Estate Act. The commission is responsible for regulating the real estate industry. This includes registering all real estate and property management brokerages, brokers, branch managers, and sales persons in the province. The Bill will improve the regulatory environment for the benefit of the public and registrants within the real estate industry.

The amendments establish a new category of registration for associate brokers, revise the composition of Saskatchewan Real Estate Commission, provide the commission with authority to investigate complaints and take disciplinary action against former registrants, allow the commission to apply to the court for an interim suspension of a registrant, and clarify the requirement for the deposit of trust funds. The amendments are intended to ensure that Saskatchewan's real estate legislation remains up to date and effective.

The Chair: — Questions? Mr. Morgan.

Mr. Morgan: — Yes. This is an update of an existing piece of legislation. I'm wondering if you or your officials could comment briefly just on what the logic is or what the rationale is for the change in the makeup of the board, and what the association is trying to achieve. I've been advised this is to allow the association to deal with some regional representation, but it's not apparent on the face of the Act.

Hon. Mr. Quennell: — Currently the Saskatchewan Real Estate Commission consists of four members appointment by the Lieutenant Governor in Council and five members elected by the registrants. The amendments increase the number of members elected by the registrants from five to six members and provide for the appointment of a member from the industrial, commercial, investment, or property management areas of real estate practice by other members of the commission.

Essentially the amendments allow for broader participation on the commission and hopefully will enable the commission to function more effectively in fulfilling its mandate.

Mr. Morgan: — The current legislation protects certain monies that are held in trust by realtors and property managers, and I'm wondering if you or your officials could tell us what monies are protected under the legislation and what monies are not.

Hon. Mr. Quennell: — Every brokerage shall deposit into trust account all monies received by the brokerage in trust for other persons in connection with a trade in real estate within two business days after a day on which an offer to purchase is accepted.

This section does not apply to a security deposit within the meaning of The Residential Tenancies Act.

Mr. Morgan: — Those are the words specific that I'm concerned with. So money received as condominium fees where

the licensee would be property manager for say . . . condo fees would not be covered?

Hon. Mr. Quennell: — It doesn't apply to condominium fees.

Mr. Morgan: — Rental payments?

Hon. Mr. Quennell: — Not unless specifically set out in the agreement.

Mr. Morgan: — If there was something set out in the agreement that they were to be held in trust, then that would be covered?

Hon. Mr. Quennell: — Yes.

Mr. Morgan: — And what about condominium fees, if it was set it out in the agreement?

Hon. Mr. Quennell: — No.

Mr. Morgan: — Okay. And what about condominium reserve funds?

Hon. Mr. Quennell: — No.

Mr. Morgan: — And the rest of the money that would be held, would be money that would be held as deposits on sales and purchase of real estate?

Hon. Mr. Quennell: — Yes.

Mr. Morgan: — And that would be covered?

Hon. Mr. Quennell: — Yes.

Mr. Morgan: — There was two significant defaults in recent years with Saskatoon property managers — Prairie Living and D & D Property Management. Some monies were paid out by the . . . Can you tell us what monies were covered, and what monies were not covered under those debt locations?

Mr. Hall: — There was two different situations, and I can't describe which applied to which. But in one situation the monies never made it into trust. They were appropriated by the property manager before they should have been put into the trust account. And in that case, those rental monies would be covered by the Act up to a certain amount.

In the other situation, the monies were put into trust and then inappropriately handled after they were taken out of trust. So the Act wouldn't apply to those. It would be between the property manager and the owner.

Mr. Morgan: — Was there any prosecutions as a result of this?

Mr. Hall: — Yes. The property managers were disciplined by the Real Estate Commission. Their licences were removed, and then I understand that there was correspondence with the RCMP [Royal Canadian Mounted Police], but I can't tell you if there was an actual police prosecution at that stage.

Mr. Morgan: — So you're not aware whether there was

charges laid?

Mr. Hall: — No I'm not.

Mr. Morgan: — That you said up to a certain limit, can you tell us what that limit is and how it's determined?

Mr. Hall: — The Act, there's a Real Estate Assurance Fund under the Act. And one brokerage . . . the claims against one brokerage are limited to \$50,000.

Mr. Morgan: — Regardless of the size of the claim, the number of claims, or the volume that that realtor has handled?

Mr. Hall: — Yes.

Mr. Morgan: — There's not any licensing or bonding provisions whereby there's third party insurer bonding or somebody providing a letter of credit for any of this?

Mr. Hall: — No, there's an errors and omissions requirement, but there's not a surety bonding or . . .

Mr. Morgan: — Has there been pressure to provide any additional statutory coverage?

Mr. Hall: — There have been various representations, but there hasn't been an industry position that's been developed at this stage.

Mr. Morgan: — It would be your intention to await for direction from the industry? Is that the department's position?

Hon. Mr. Quennell: — Well we're of course always consulting with stakeholders in . . . this is in sort of in the financial and consumer protection area. And yes, before we start making significant changes, we would like to be in the position where we were comfortable that it's an industry position and that it's a commonly held industry position and not a case where some members of the industry may want a change and some others may want something else.

Mr. Morgan: — Minister, that's exactly my concern with this . . . is consultation. I'm not advocating doing anything or not doing anything. I have some trouble with actions taken by some other members of your government that have indicated they would consult and then go ahead and act without consulting, and would be troubled if there was something underway or the department was doing something where there would not be some significant consultation with people in the industry.

And if there is consultation underway we would know about it and have the opportunity to ensure that the consultation is full, complete, adequate, and appropriate. So I'm just . . . if there is no active consultation underway, I'd like you to put that on the record and say so. And if there is, tell us what the nature of it is.

Hon. Mr. Quennell: — There's not any ongoing consultation on changes to this Act. The amendments that are before you have been developed jointly by Saskatchewan Justice and the Saskatchewan Real Estate Commission in consultation with industry and consumer organizations.

Mr. Morgan: — Okay, that would be past consultations. I'm presuming that because we're now in a Bill form that we're . . . we don't have anything underway. So I'm accepting that at face value, Minister, and as such am prepared to vote this one.

The Chair: — Thank you. Again this Bill has 24 clauses, so with the indulgence of the committee we'll vote it in a block. Is clause 1 to 24 agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 24 inclusive agreed to.]

The Chair: — Thank you. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Real Estate Amendment Act, 2005.

I need a member to move the motion that this committee report, Bill No. 103, The Real Estate Amendment Act without amendment. Mr. Borgerson.

Mr. Borgerson: — I so move.

The Chair: — It has been moved by Mr. Borgerson that Bill No. 103, The Real Estate Amendment Act, be reported without amendment. Is the committee ready for the question?

Some Hon. Members: — Question.

The Chair: — Is it the pleasure of the committee to adopt the motion?

Some Hon. Members: — Agreed.

The Chair: — It's carried. Thank you. Thank you to the minister and his officials.

The next item of business is the estimates for the Department of Community Resources and Employment. And we'll give a few moments for the officials and the minister to get in with that.

General Revenue Fund Community Resources and Employment Vote 36

Subvote (RE01)

The Chair: — The next item of business is for the Department of Community Resources and Employment. I'd ask the minister to introduce her officials and if you have anything that you want to add. I know you've been here before, so if you have anything new to add or you want to add something old, go ahead.

Hon. Ms. Crofford: — The only old thing I'm adding today is me. But I will introduce my officials and then a little report on questions that have been asked in previous sessions.

Today the staff attending, to my right is Wynne Young, deputy minister of the department. And with us as well are Shelley Whitehead, assistant deputy minister of policy; Bob Wihlidal, assistant deputy minister, client services. Is Darrell . . . oh there

you are. You've sprung up. Darrell Jones, assistant deputy minister, housing and central administration; Don Allen, executive director, finance and property management division.

Phil Walsh, executive director. He's the one with the big smile back there, retiring in employment and income assistance division. This is Phil's last day at work in his full capacity here. Lynn Tulloch, executive director incoming, employment and income assistance division.

April Barry, executive director, early learning and child care branch; Marilyn Hedlund, executive director, child and family services division; Wayne Phaneuf, associate executive director, community living division; And Larry Chaykowski, executive director, housing program operations.

And with those introductions, Madam Chair, I'd like to take the opportunity to report on commitments that I made when I last appeared before this committee.

I was asked to provide a list of CBOs [community-based organization] funded by child and family services through grants or fee-for-service arrangements. And that letter with a list I have already signed was forwarded to your office.

There was a request for information regarding individual social assistance benefits raised by Ms. Bakken. I have the response with me and would like to submit it to you at this time.

Also Ms. Draude had questions regarding inspection services and renovation assistance as they relate to the new Saskatchewan rental housing supplement. I have that letter and would like to submit it at this time.

And in addition, there was a request for information on a child and family services case. In this particular one there are legal limitations to be able to comment upon the case.

And finally, Ms. Bakken requested that I look into an FASD [fetal alcohol spectrum disorder] case and we are happy to investigate but we need all the necessary information before we can do that.

So I'll just provide you with this. And there are copies for the members here.

The Chair: — Thank you very much. And if your officials do come to the mike to answer questions, would you have them introduce themselves for the first time when they first speak, again as we mentioned before, for the ease of Hansard. Questions? Ms. Bakken.

Ms. Bakken Lackey: — Madam Minister, I would just like to follow up with a couple of short questions on an issue that we discussed at the last time we met. And it deals specifically with apprehension of children.

And I guess in light of what has happened in the last week around the whole issue of apprehension of children and to do with the drug . . . children that are addicted to drugs, and the apparent lack of ability by the department to use the family, child, and services Act to make that happen, which we now know as of today that you have taken action and used that Act.

But until now it has been apparent that there's been, you know, an unwilling . . . or I guess the feeling, that you did not feel that the Act allowed you to do this. So I'm wondering, in light of that fact, when it's not to do with apprehension for children that are addicted to drugs, how do you justify being able to use it in other instances for apprehension without previous investigation, and yet in the case of children that are addicted to drugs and with the parents actually asking for this to be used for apprehension?

I'd like a clarification on how you justify the discrepancy here.

Hon. Ms. Crofford: — Again I think the question wasn't so much on whether you can apprehend them but whether it has any effect if you can't detain them. Because so far it has been the policy in the province for 16- and 17-year-olds that any kind of detention of this sort would be voluntary. And so there has to be some sense that there — under the current laws — that there would be a willingness to comply with a voluntary detention.

And so there would be, under the mental health Act and under the criminal justice Act, where an actual crime had been committed, the ability to involuntarily detain people. And again there has to be some judgment of whether apprehension will lead to a voluntary decision at the moment.

Ms. Bakken Lackey: — Thank you, Madam Minister. I certainly do not believe that that was the understanding that we had from your response to this. Because the parents have been directly asking for their children to be apprehended because of wanting to help them with drug addiction, first and foremost, had no avenue — they felt or were told — under the law in Saskatchewan to actually have them apprehended.

So again I guess, you know, I've been working on this other issue for months and months and it still has not been resolved where your department apprehended a child that was 13 years old for the simple reason that he didn't want to go home — without any investigation — and has been held . . . and I mean, Madam Minister, this is you know, this is the fact that there was no investigation prior to this child being apprehended. And he has been held in apprehension ever since, and somehow your department feels that they are justified in those actions.

Hon. Ms. Crofford: — I would respond to the members, that would not describe any relationship we have with any child in the province. There has to be substantial and compelling reasons, investigated reasons, why a child would be moved from their family. So that may well be your understanding of it, but I would have to say that that would not reflect what has actually taken place.

Ms. Bakken Lackey: — Well, Madam Minister, I know we've had this discussion with several times with yourself and with your officials and there seems to be an unwillingness to actually, you know, to look at the facts from the mother's point of view. And it certainly has been a one-sided issue.

And again as I've stated many times that the actions that have been taken by your department put every parent and every child in jeopardy in this province of being able to have their children apprehended from them without just cause and without a thorough investigation. I will move on to another issue.

This is around the issue of private daycare. And, Madam Minister, as you will recall last fall myself along with three private daycare providers and parents, that they provide care for their children, attended a meeting at your office.

And at that time there was certainly a strong plea made by the providers as well as the families that were represented, that you would look at this whole issue with a view of reviewing the regulations to better reflect the needs and the wishes of parents and children in the province.

I was certainly under the impression, and I believe those that were attending that meeting were agreed, that you were going to look at this and have consultation with them. I believe you even committed at that time that you would go and visit some of their private care homes to see for yourself the kind of care they're providing and the value that they are providing to families.

Early this spring they received notice that indeed nothing was changing, that they had to comply, and that things were going to remain the same. Since that time we have received numerous letters in our office of other parents across the province, and specifically in Regina, that are very concerned about what is happening in their private daycare homes. And to put it bluntly, the heavy hand of government coming down on them without parents having any opportunity to have a say in what they believe is in the best interests of their children.

And I know at that time that you, and in fact in a letter that you sent to me — or not to me but to one of the parents that met with you — that you were going to look into this further. And I'm just wondering what actions you've taken to look into this issue.

Hon. Ms. Crofford: — Two things. I would have to say that I did look into it and found that Saskatchewan allows the most children to be in this type of care of any place in Canada, and the issues are around safety issues for the children, quality of care issues.

I don't think at any point we are making a judgment about the ability of people to provide loving care, to provide an environment that children are welcome. The issue is strictly around health and safety, and I guess I would wonder why all other provinces have actually got a lower number that's allowed than Saskatchewan.

The reason why we have allowed more is because of some . . . particularly because of rural child care. Now, the one thing I will commit to doing and certainly as we move into the next phase of discussion on the way childcare is provided in the province, early learning and childcare, I'd like to actually have an advisory body of people who run home-based childcare, so we can engage in a more active discussion and policy-making role with them.

We haven't done that yet quite frankly. For the last few months I think we've been running as fast as we can on a whole range of issues given our staff resources. But there's certainly no intent to in any way cause hardship for these private centres. It's to ensure the safety and well-being of children. And I think there's room for discussion into the future, but at this point we are not ready to do that.

I'll read you some of the things we take into consideration: the inability to evacuate in an emergency; increased rates of infection because the caregiver cannot maintain sanitary routines; increased rates of injury because the caregiver cannot promptly restructure aggressive situation; delayed development of children's social, emotional, and cognitive skills; and increased stress for the children and caregiver.

Now again I would say that we are not unique in this. This is common across Canada.

Ms. Bakken Lackey: — Well, Madam Minister, you know you're indicating that somewhere along the line you would like to have an advisory board of parents, and that certainly is one of the things that the parents that met with you last fall indicated that they would like to see happen. However in the absence of having an advisory board, you're moving ahead and making decisions, and making them in isolation of parents. And parents are feeling very upset over this, not only because they've been left out of the decision-making process but also because they are facing a situation where, who is going to look after their children.

There is no law in Saskatchewan that says anything about the age that a child can go home on their own. And yet somehow the government has decided that it's okay for them go home at whatever age and be latchkey kids, or run around the neighbourhood, or go to an after-day school where there's up to 15 children allowed with one caregiver. And as one employee of Social Services indicated to when questioned about this is, well the janitor is there so they can fill in if there's a need for extra help.

And yet people that are providing loving care in their homes are not being allowed to have these extra children even though the parents have made that choice. Now parents choose where their children go because they believe that there's quality care provided and because there's safety and so on.

And so to say that there's an inability to evacuate, to say that sanitary reasons . . . I think that if you talk to providers of care, and I would just like to talk about Dawn who runs a daycare in Moose Jaw. I did go to her daycare and I did see the quality of care that she provides. And the interaction she has with the children, and providing an avenue for them to do their homework after school and . . . so that when they do go home with their parents at night they don't spend the night doing their homework. They've already done that and they can spend quality time with their parents.

So to say that they are delayed in development skills and that they have extra stress because they are in a private daycare setting I think is an insult to private daycare providers and to the families that have chosen that they want to go there. To use these as reasons why parents do not have the ability to choose, I believe, is absolutely appalling, and in fact what I did say before which is, these kids have to go somewhere. And so if they're not going to be in a private daycare setting where are they going to go? What is your department planning for these children that are not, that are no longer allowed to go to these daycares.

And not only is it going to affect the ones that are over in

number, but there are daycare providers now that are quitting because they are fed up with having been — in the words of some of them — treated like common criminals, because officials from DCRE [Department of Community Resources and Employment] have walked in and accused them of somehow being criminals, and I would just . . . and made allegations to them that there's going to be, you know, they're going to be charged, and they could . . . I'm just trying to find in this one letter, which I know that you received. It was sent to you as well, where there were allegations made by the Department of Community Resources employees that somehow they were going to be charged and that they were committing an offence.

I'd just like you to respond on what your plan is for these children and who's going to look after them.

Hon. Ms. Crofford: — Well that's a lot of questions. I'll start with the fact that I haven't changed any rules arbitrarily. These are the rules that have been built up over the years, and before I change them, I want to know what the impact of changing them would be.

I guess the second thing I would say is, I'm very pleased that under the new resources being provided from the federal government under their budget, we're going to greatly expand the availability of childcare, both within school settings and within the community. And this will mean that parents will have a lot more quality options for places where their children can be cared for and I think that will address some of the pressures you're talking about.

When it comes to home-based childcare, it doesn't matter whether you're running a nursing home, or whether you're running any kind of private service that provides service for the public, you are going to come under some kind of regulation. And if a child dies in one of these daycares, it's not the daycare they go talk to, it's me.

So I want to be sure before I change any laws that people who work in the area on a continual basis believe that it can effectively work. And certainly there's a combination of factors — the age of the children, the mix of the children, the size of the home — many things that have to be considered. But I will emphasize that we don't proactively inspect these homes. We only go in when people report someone. So we go in, in response to a report. And of course I know you will say that there's many reasons why people report someone.

As to the conduct of staff, I certainly believe that we've got many professional staff who have worked in this area for a number of years. But at the end of the day, if someone is breaking the licensing requirements or the rules of operation for having the public in their home or in their care facility, then they have no other alternative but to act on that. That's their job. So again perfectly willing to listen to comments people may make who are private care providers, in a structured way. We do need to move ahead with appointing people to this group so that we can discuss this with them.

But in fact this will not change overnight because all of these rules are in place in all of the provinces for a reason. And usually that reason is built on bad experiences. Laws are very

rarely created just out of mid-air. They're usually created in response to something that has happened. So I'm not sure if we have the perfect laws. I know that we have a little more leniency than some places and certainly are open-minded to looking at it, but before we change a law I want to be certain that I'm not putting any children at risk.

Ms. Bakken Lackey: — Thank you, Madam Minister. Well I guess the issue is that there is extra money coming in to pay for child care. And from the letters that I've received and from the comments that I've had relayed to me, is it the intent of your government to further reduce private daycare spaces in this province and to force families to use subsidized, government-run daycare?

Hon. Ms. Crofford: — There certainly will be as much opportunity as there's ever been for private daycares to exist. When it comes to investing in daycare, we will be investing in a public system, just like the school system because we want that money to be invested for the long haul, not for as long as someone decides to be in business. And this is public infrastructure, publicly funded, and certainly provides an opportunity to make sure that we have sustainable child care. So I certainly see people from the private part of the delivery system being involved in some of the resource support, some of the training, those kinds of things, and certainly they have the option of becoming a licensed home.

We haven't designed the whole system yet. That will be part of the discussions that take place over the next months, but certainly people will still be as able to provide that kind of service as they ever have been.

Ms. Bakken Lackey: — Well, Madam Minister, as indicated by many of the providers is that, if they are reduced to X number of children and they cannot have children that come after school, they cannot . . . They're not allowed to have them overlap. They're not allowed to have their own children under 13. They have to be counted as a child. And yet a child that's 10 years old or 11 years old can babysit, but they have to count their own children as one of the eight children in their home.

And this is providing a great hardship for women, especially that work shift work, because they can't bring their children there and because they can't overlap. And in some cases they've had to cancel their shifts because they cannot take their children to their private daycare.

And so this is certainly not advantageous to women in Saskatchewan. And, Madam Minister, I guess what I'm hearing from you is that it is a move by your government to put this under government ownership and under subsidized daycare, and that . . . and to say that this is for the long term because it will be sustainable.

Businesses will come and go, but there will be private business to provide this as long as it's a viable business. But when you're cutting out the amount of children that they can look after simply because of rules, not because of valid reasons . . . There has not been . . . to my knowledge of the daycare providers that have contacted me, not one of them has had an allegation against them from any parent. They have not provided an unsafe venue for the children. And the concerns that have . . .

for the reason that they've been investigated, in most cases they've not been told why. And now in some areas in Regina there seems to be a concentrated effort to investigate, you know, as many or all of the daycares that are in the area.

So is the department making a concentrated effort to investigate all private daycares and to bring them all under the same licensing? And if they're not, then the ones that are being investigated are saying, well how does this make sense? My daycare is not safe, but someone around the block that has too many children according to the government standards, their home is safe, I guess, because no one's paying any attention to them. So we certainly have a double standard here. And it's certainly not serving the families, the daycare providers, and certainly not the children.

Hon. Ms. Crofford: — There is so much mis-facts in what you're saying that I hardly know where to start. The fact is, is that we have only changed our laws in the direction of making it possible for people to have more children, not less. So there's no accuracy that we're in some conspiracy to drive them out of business.

The second part of the facts is that we only take action when there's more than eight kids and there's been a complaint. We don't have a proactive investigative capacity because there are so many . . . We don't even know all the places where kids are unless someone specifically complains.

I think there will always be lots of room for family, home-based child care because that's what lots of people want. And I don't see there being any thought that the fact that there is — getting closer to some notion of adequacy for the amount of child care — that in any way there won't still be a huge demand for the kind of child care you're talking about. So I don't see anybody being squeezed out of the marketplace. I don't see any kind of a vendetta taking place.

I do see us being able to sit down in reasoned discussions. If at some point, for example — and I'm totally speculating here — if, for example, people thought it would be worthy to get into more inspection of private services for the sake of indicating areas where, because someone has an exceptionally roomy facility or special circumstances or older children, that one could be more flexible by a case of exemption. Then that would require looking at the homes one by one because you can't do that kind of model in a blanket way.

By the very nature of laws, they tend to go to the common denominator. And to then look at people who perhaps don't meet the common denominator or people who exceed it then requires a very individualized approach, which is then labour-intensive in terms of inspection staff.

So the standard that's set is an average standard of necessity, and it is the standard that other provinces have. And it's the most children that have ever been allowed in the history of the province.

Ms. Bakken Lackey: — Thank you, Madam Minister. Mr. Merriman would like to ask a couple of questions.

The Chair: — Mr. Merriman.

Mr. Merriman: — Thank you. And I would just like to follow up on some comments you had, Madam Minister. When you talked about subsidized daycare, what percentage of that is paid for by the federal government?

Ms. Barry: — April Barry, executive director of early learning and child care branch. The current child daycare program is funded through provincial dollars. The bilateral agreement that was signed on Friday of last week will provide an opportunity for the federal government to contribute to early learning and child care opportunities. But currently the existing child daycare program is a provincial funded program.

As Minister Crofford indicated, over the next months we will be developing a plan and finalizing a plan for utilization of the federal dollars, engaging multiple sectors within the early learning and child care community.

Mr. Merriman: — Madam Minister, when you were talking about you were going to be having these meetings in the near time frame, what time frame are you looking at that?

Hon. Ms. Crofford: — We're hoping to be able to announce the framework of the expenditure of the dollars by November. That's our target. When the House comes back in again.

Mr. Merriman: — I think the time frame as you're calling it . . . I'm talking about, you were talking about this home care, and you were going to set up a committee to look into it. And what time frame would that be?

Hon. Ms. Crofford: — Yes, I think we can move ahead on that in the next month or two because we don't want to just arbitrarily pick who gets to be on that committee. We need to do some ability to represent the province geographically and by the different types of homes.

Mr. Merriman: — I guess my comment came because you said you didn't have the staff to do it at this point in time, and I was questioning the priorities then of what we have. I think we have 2,500 employees, and surely we could find one that can quarterback this to go get it through because it's such a serious . . .

Hon. Ms. Crofford: — Again I remind you of what our responsibilities are . . .

Mr. Merriman: — I thought I was still speaking.

Hon. Ms. Crofford: — What?

Mr. Merriman: — I said, I thought I was still speaking.

Hon. Ms. Crofford: — Okay.

Mr. Merriman: — That you can find a priority for this that has to do with the children, and if not set up a sub-committee from community-based organized to quarterback and then get back to you then with their report.

Hon. Ms. Crofford: — Again many changes have been made to child care services over the years that have included parents and care providers, so this would not be the first time we've

done this kind of work. And I would have to get someone to confirm for me the last time that we modified these Acts; I don't think it was that long ago. We do have a minister's advisory committee made up broadly of people representing education and child care.

What I'm speaking about is specifically a group that deals with home-based care. And yes, we can set up such a group, but you'd be surprised. Even with 2,500 employees covering the whole province, when you're engaged in child protection and income security, there's a huge amount of work for all of these people to do because we have some very needy people and some very troubled families out there.

And the child care area has been a changing scenario over the past years. We've waited to determine whether or not the federal money would come, and there still is some uncertainty until the federal budget is actually passed, what resources we have to work with. So we do want to talk to people, but we do also want to know what resources we'll have to work with in moving this forward. And the particular rules we have in place today have been the result of consultation and change over the years. They're not some arbitrary rule that was drawn up yesterday.

Mr. Merriman: — Thank you, Madam Minister. I think that's why we need a dual system within the province, that we have both public and government subsidized because at some point in time, governments change even in the federal quadrant. And if they were to withdraw those funds somewhere down the road and funding was not available from the province, we would certainly need the backup of the independents that were doing it.

In the committee that you had, that you're going to structure, are you also looking at having rural input as well as Aboriginal input on to this committee?

Hon. Ms. Crofford: — Absolutely. We wouldn't even consider doing anything else.

Mr. Merriman: — The other committee that you said you do have going, and there were members . . . at some time — and it doesn't have to be today — could I get a copy of who's on that committee and how frequently they meet, please.

Hon. Ms. Crofford: — Certainly.

Mr. Merriman: — You had also made the comment, Madam Minister, that you were looking at putting some of these daycare facilities into schools, and I want to know where is that funding coming from. Is it coming from your department or from the Department of Learning?

Hon. Ms. Crofford: — We're still having discussions with the Department of Learning on how we work collaboratively in the early learning and care model because it is a bit of a new model.

We do have right now pre-kindergartens in the province that are 100 per cent funded by the early learning department. There's I think 800 students who are involved in pre-kindergarten in high-risk schools. And part of the discussion in the whole early learning and care discussion is whether to provide a more

universal set of services to children, sort of moving downward from kindergarten, or whether to just provide a wide array and mix of service across the province without being as concerned about being comprehensive — for example, every three-year-old in the province being entitled to attend an early learning part-time program if their parents choose.

So those are the kind of discussions that we're having. And I think where schools come in is really where schools have the space and can provide good facility space, I think, would be the best answer to that.

Mr. Merriman: — Thank you, Madam Minister. You know, which goes part of your School^{PLUS} program but in the principals and schools I've talked to that have this program, it's currently underfunded and understaffed to create that.

And when you talk about early childhood development as new, I would like to point you out that the state of Hawaii has been doing this for over 10 years in early childhood development with Hawaiian people. Dr. Fraser Mustard's been into it for years and has clinics both in New York, Toronto, and Calcutta. So this isn't something new and we should be learning from these models of implementation and success stories behind it.

I guess my concern is that we're talking about putting it into schools but we don't know where the funding is coming from, whether it's coming out of one department or the other. I think that's a big if until we have some commitment from either yourself or the Minister of Learning that this funding will be put in place.

And what bothers me, as my colleague said, is that if we lose some of these independent daycare centres before we're set up with any other system, we're putting a lot of kids and parents at risk both from the working concept and from these children being on the street or in the neighbourhood without any type of supervision. And I think it's a false economy.

Hon. Ms. Crofford: — I guess I'll just respond that I don't know why we would be losing centres because we haven't changed any laws other than to make it possible for them to have more children. And in fact in a two-caregiver centre they can have 12 children. That was changed in 2001. So we have done nothing to drive anyone out of business. In fact we've made it, over time, easier for them to have more children.

The Hawaiian model is certainly the model that we followed in the KidsFirst program that exists in the province today, where people actually go right into the home and work with families who are willing to have people work with them.

And so I agree with you totally that we should follow these good examples. Certainly at the legislative conference — the Midwest Legislative Conference — last summer there was a presentation on early learning programs from the US. I think the value of these programs has been well documented in terms of not only school experiences but later employment and earning abilities in life. So we are certainly drawing on that and anything that you would want to bring to our attention would be appreciated as well.

The Chair: — Thank you. Ms. Bakken.

Ms. Bakken Lackey: — Madam Minister, I'd like to move to a different topic. This is about people that are applying for social assistance. And when they have a doctor's report, is a doctor's report indicating that they are not in any condition to be working at the present time, is that taken into consideration? Or, and if it is, what else is taken into consideration? And if not, why not?

Hon. Ms. Crofford: — Well it would be my understanding that it's taken into consideration, but I'm going to get Phil Walsh to respond to that. And just state your title, Phil.

Mr. Walsh: — Phil Walsh, executive director of employment and income assistance. Yes, it would be taken into consideration. That's correct.

Ms. Bakken Lackey: — And what kind of weight would be put on it? If a doctor . . . I'm talking about a specific case now. If a doctor indicates that the individual is not capable of working at the present time for physical or mental reasons, is that enough? Is that enough to say then they are eligible for social assistance? Or what else would have to be taken into consideration?

Mr. Walsh: — Yes, normally that the advice of a health care professional would be sufficient. If there's a situation where there's a, where it appears that maybe there's been something else happening, then there must be more circumstances involved in the case, and we'd certainly be willing to look into that if you want to pass the information on to us. But normally the advice of a health care professional would be sufficient.

Ms. Bakken Lackey: — Thank you. Well in the case that I'm speaking about, I have a letter that was sent to the client from an employment and income assistance supervisor that she had been in contact with. And you know, the letter just is basically saying, well . . . It says, the doctor indicates he does not think she is capable of employment. This is not sufficient in terms of having expectations for this person. Our employment assessment will make or influence our decisions.

She further goes on to say — the DCRE worker further goes on to say, and I won't give the doctor's name — but that the doctor is a strong advocate for his client's wishes, that he has supported that which clients ask him to. And further goes on to say the doctor's advice in this case is one entity to influence us or recommend a course of action, but it does not render the decision of what programs can be found to help this person.

It further goes on to say that another employee within DCRE will contact the doctor to explain the department's perspective, and so that the doctor can make informed decisions with all our information, his medical records, and the client's circumstances.

And then at the end of the letter, the employee says, we anticipate a co-operative response from the doctor when he is made aware of our expectations and the contradictions.

And needless to say, this person is very, very concerned that her doctor's diagnosis is being not only ignored, but indicating that it's not valid and that the Department of Community Resources and Employment will set the doctor right and inform him of what is appropriate for him to be doing. And I guess I'd like a

response.

Mr. Walsh: — I should maybe just clarify my earlier answer. The final decision does rest with the department and certainly the advice of the health care professional would weigh heavily in that, but it may not be the only source of information that the department may have. The medical assessment is one piece of information that goes into determining eligibility and it may in fact bring into play additional supports and services that may not otherwise be provided. So there are a number of uses that a medical assessment might be put to, but as I say, we can look into that situation. But just to clarify my earlier answer, the final decision does rest with the department and there is a number of sources of information that go into that decision.

Ms. Bakken Lackey: — Thank you. And I will make available to you the exact information. I guess I'd like to ask the minister if it is the view of the minister and her department that they contact doctors and make them aware of the expectations of the department and so then to get the kind of response that they are looking for that meets the department's wishes, which is what this says.

Hon. Ms. Crofford: — I guess what I would say generally, without knowing this whole specific thing — and he said and she said — I think what I would say is that today we're employing many people who were previously thought unemployable. We're doing it through programs that support employment for people with physical or learning disabilities, mental health problems. And today people who it was never thought could work, are working. And because workplaces are designed differently, the work is designed differently, and I think more recently we expended yet another 4.5 million on supported employment programs. So there may in fact be a different understanding of what the ability is for a person to be employed, either part-time or full-time.

And again our goal is to have as many people employed as possible regardless of their circumstance. You are still going to have people who no matter what you do are going to be unemployable and I guess that's part of the judgment call here is to determine if that's the situation.

Ms. Bakken Lackey: — Thank you, Madam Minister, and certainly that is the goal is to have as many people employed in the province, but that was not my question. My question was, does the minister support the statement made in this letter which says, which is made by the employee of employment and income assistance, that, quote:

We anticipate a co-operative response from the doctor when he is made aware of our expectations and the contradictions . . .

Mr. Walsh: — Yes. I think we'd have to know more about the circumstances surrounding the case. I wouldn't want to speculate on why that particular letter was written without knowing, certainly knowing the background, but it could be . . . Again I don't want to speculate. There are services and supports available that perhaps a medical, or a health care professional might not be aware of that would assist the individual to become employed, and that may be entering into the conversation, but I don't know.

Ms. Bakken Lackey: — Thank you, Madam Minister. I'd like to ask about another issue at this time. It's around the issue of co-operative housing and this has been another issue that's been ongoing for some time. I have questioned about this before and I would like an update to where the whole issue in Saskatoon is, to do with Sweet Dreams Housing and the housing co-op that represents them, and if the issues that have been ongoing now for almost two years have been resolved. And, if so, how were they resolved and what was the outcome?

Hon. Ms. Crofford: — Now it's my understanding that the department has spent many hours working with these parties trying to resolve these issues and that there has been progress on a number of the key issues, or has been an impartial mediator secured to help with resolution. And I think the next steps will be based on the progress that's made in that process, but certainly I can guarantee you that reconciliation will happen on all the financial accounts. And I don't know if Larry has anything else to add — and you can identify your name and your position, Larry.

Mr. Chaykowski: — Larry Chaykowski. I'm executive director of program operations with Sask Housing, part of the Department of Community Resources and Employment. The minister provided a very nice synopsis of where . . . We're still continuing to work with the two groups here. Our position in these — when there's two community-based organizations and there are allegations between, amongst one to the other — is that Sask Housing's role is that of a facilitator to work towards issues resolution. This has been a set of issues that has dragged on, as the member correctly pointed out, has dragged on for nearly two years here.

We continue to work with the two groups and most recently in the last couple of months have secured the services of a professional independent mediator to help us out in that role. There was a meeting as late as last week that was facilitated between the two groups. We continue to make progress on issues and it just takes a good deal of time to work our way through these. But we're prepared to continue our role in that.

Ms. Bakken Lackey: — Thank you. I'm just wondering, has there been an audit ordered for this account?

Mr. Chaykowski: — The financial records of both the community-based organizations involved do have an annual audit and that's done by professional audits. So the books, you know, they do have financial statements and they are audited. We've not got to the point where, if you're looking, suggesting the need for an audit beyond that, we've not reached that stage yet. We're working through the various financial transactions and trying to peel back, if you like, the layers of the onion and work our way through those sets of issues.

Ms. Bakken Lackey: — Thank you. When you say you're working through it, who specifically is working through it? Because I know this has been the ongoing concern with Sweet Dreams Housing Co-op that, you know, they have their concerns and had certainly raised a lot of questions and had sent them to Saskatchewan Housing and also gave me a copy of the questions that they were asking, and their concerns.

And so who is actually working on this? Because in the past, it

didn't appear that anyone was working on it — that they were spinning their wheels and they could not get any answers. And that's all they've been asking for is answers. I guess the issue is, which I indicated in a letter to the minister some months ago, is that, you know what? Maybe nothing is wrong here. All they want is a resolution to their questions so that they can be satisfied that what went on in their housing co-op is . . . everything's okay and that the money was allocated right. And it's in the best interests of all the parties involved to have this resolved.

And I know that Saskatchewan Housing has indicated that they should be the facilitator, the mediator. And what Sweet Dreams has been asking for all these months is, please do that; please help us resolve this so that we can all move on and put this behind us. But I guess until that happens, they're not prepared to let it go because they do want answers, and they deserve answers to their questions.

Mr. Chaykowski: — That is a role that we're currently fulfilling right now. So the parties involved are Sweet Dreams Housing Co-operative along with the community development organization that they are currently aligned with and as well as the community development organization that they were formally aligned with. So there's those, if you like, two sets of parties. And facilitating towards an issues resolution is Sask Housing Corporation along with a professional mediator.

Hon. Ms. Crofford: — Maybe if I could just add that I do know that exactly what some of the process is with the mediator . . . is working through the answers to the questions. And so in my understanding, answers have been provided to the questions, and now with the mediator they're discussing the answers to those questions.

Ms. Bakken Lackey: — Well, Madam Minister, that's not the information that I have. They're still looking for answers to their questions about financial issues and, as I said before, are not prepared to give up until those answers are provided. And I would hope that this could be expedited. Mr. Merriman would like to ask a question.

Mr. Merriman: — Yes, I just have a few questions on this too. I became aware of this over two years ago. I probably spent 30 hours on it myself, as well as my colleagues, Mr. Morgan and Mr. Cheveldayoff, trying to facilitate answers on behalf of these people. I guess my questions are, you know, you put a facilitator in two months ago on a two-year-old file. What is the time frame before you take an intervention in these cases?

Mr. Chaykowski: — We would not as long as we're continuing to make progress, and we believe we are. As I mentioned, there was a meeting as late as last week on this where all the parties were working their way through the issues. And until it becomes apparent that we've reached an impasse where all the parties have agreed to disagree or there's a complete lack of understanding of what the transactions and comfort, we would not go to the next step until we hit that, until that stage.

Mr. Merriman: — Well in fairness to you, I haven't talked to them in the last week, but I will talk to them on the weekend. And I will bring back to this committee next time we meet

whether they think that we're making progress or not on their behalf because I'm here to represent them for getting to the bottom of this.

This has been going on and on and on, and these are just people who own their homes and want some simple questions asked . . . answered. And you know we're not getting the answers there. We're not getting the answers here. We're saying that we're still going to keep facilitating. At what point in time are we going to put a stake in the ground and make a decision on this file?

Mr. Chaykowski: — When we've reached a point where we feel that we're not getting any more answers. The questions are not all that simple. There's a long list of questions. And some of them are interpretations in terms of reconciliations between different sets of records, and that's just a matter of working through in some detail until all the parties involved are comfortable that there's an explanation around those.

Mr. Merriman: — So is your department doing these reconciliations?

Mr. Chaykowski: — We're working with the two groups.

Mr. Merriman: — But they're reconciling their own files is what you're telling me. Who is arbitrating whether it's correct or wrong in this process?

Mr. Chaykowski: — Well we're not making those judgments. We're not making a judgment as to whether there's right or wrong. We're working our way through the sets of records so that there's an understanding. And if we get to the point where it becomes absolutely clear that there's no explanation for what's going on that's — I'm guessing — that's the point that at which we'd escalate to the next step.

Mr. Merriman: — Well you said that they were . . . reconciliations going on. Is those reconciliations being done by the arbitrator?

Mr. Chaykowski: — That's by all the parties involved sitting down and with detailed records around a table.

Mr. Merriman: — The arbitrator is facilitating that discussion.

Mr. Chaykowski: — Along with our staff.

Mr. Merriman: — Along with your staff. Okay. So in fairness I don't have the discussion of last week's meeting, but I'll certainly call and find out. This is a file that's probably over four inches thick on my desk, that we've been through many times, and it seems to me that it's time to get to the bottom of this and put this file to bed one way or the other. Two years is a long period of time for these people that are dealing . . . most of the people that I have been meeting with on these files are just emotionally drained by trying to get a simple answer, as I see it, to some of these reconciliations.

And for two years, I mean, you know that's way too long for dealing with people's emotions on their homes which is their greatest asset in life and the centre of their family. And I think that you know we have to do better than two years. And I thank

you for your answers, and I'll be delighted to report back on the next meeting.

Ms. Bakken Lackey: — Madam Minister, I'd just like to follow up on a couple of the points that have been made and the responses. I did have opportunity to speak with the members since the meeting, and there was no movement at that meeting — none. And maybe you're not aware of that, but if you could confer with your officials that were at the meeting . . . I'm not aware if you were at the meeting or not, but there was absolutely no movement.

And the records are in front of Saskatchewan Housing Corporation, have been for a long time. And if they weren't, they should have been demanded to be put in front of them from the community-based organization that was involved with this.

Sweet Dreams Housing Co-op was very willing to put their records in front of Sask Housing. And there are discrepancies. It's not a matter of he said, she said. It's a matter of black and white financial records that must be reconciled and determined if these people were somehow financially hurt by all of this. Because at one time, a year ago, there was threat of some of them losing their homes because they did not have the money to pay for the mortgages that were going to become their responsibility because of this program and people leaving the homes that they were in, in Saskatoon.

So to say that you're going to just continue to hope to facilitate this, this is what we've been hearing for a year and a half to two years now. That's not good enough. It's time that the government, Sask Housing, moved in and reconciled this. This is your responsibility. These are taxpayers' dollars.

These are low-income people who have now run up all these legal bills. They asked for some help with those legal, with their legal fees because they felt that they had to engage legal counsel because they could not continue on this fight on their own and were not receiving any help from Saskatchewan Housing to get the answers. So they had to engage a lawyer. And now they're being told by a letter from the minister that they are not going to have any compensation to help offset their legal fees. And yet they have no alternative.

And I think that we do need to know. What day are you going to pick that you are going to say, we are going to do an audit of this and get to the bottom of it and move on?

Mr. Chaykowski: — Again I would come back to a point earlier. These books have been audited. We have audited financial statements.

Ms. Bakken Lackey: — Well, Madam Minister, up until a few months ago the Sweet Dreams Housing Co-op were not able to get the financial statements which are rightfully theirs. It's their money. They were not able to even find out how much was still owing on their individual mortgages, which is something that all other homeowners in other co-ops are entitled to. They received financial information from the housing co-op which they could not open because it was a disk, and they would not give them the information of how to get into it and get the information out. I mean, this has been going on, and it's not

acceptable, and we need a date of when you are going to resolve this issue.

Hon. Ms. Crofford: — If I can maybe step in here, I've asked the deputy to report back to me in a rather detailed way about whether we still feel there is progress that can be made because I do believe when you're working in a community environment, if people — even if it takes a long time — if people can come to some kind of mutual resolution, it is preferable to a heavy-handed approach.

You know, I've dealt with the co-ops in Regina, and sometimes I have found that people have a different understanding of how the program is constructed, how the monies are organized. And after quite a long discussion with one person who was part of one of the housing co-ops in Regina, it became clear that there was a different understanding of the financial expectations and arrangements — partly related to how an inexperienced person might look at a financial statement but also related to not really understanding the rules of engagement of the program.

And so how much of this is understanding? How much of it is right-doing/wrongdoing? I guess that's the kind of things they're sorting through. And how much of it is how an organization that's trying to manage the development of housing manages the money they've got flowing in to do that?

So I don't think it is a simple issue unless there's been actual wrongdoing . . . occur. And I will try to as quickly as possible get a response back on whether in fact there is progress. You can check back with the people that you're in discussion with. But I know just from personal experience that this is a little more complicated than it looks on the surface.

Ms. Bakken Lackey: — Well, Madam Minister, I'd have to disagree with you because I don't know how you can indicate that it's complicated.

There's so much money comes from the provincial government, and it is supposed to be for specific reasons that it's paid into the housing co-op. The money is to be used for certain reasons. The homeowners have to pay in. They have to pay their mortgages. They have to pay towards renovation which is a program which is put aside that they have, then they can use should they have some large issue come up.

There's also supposed to be an opportunity for them to do work in-kind, and that's supposed to go towards off-setting the costs when they first initially buy the homes. This program is set out very specifically, and there's only so many dollars involved in it. But believe me; those dollars are very, very precious to these people because these are low-income people that are trying to attain home ownership, and they feel very strongly that they have been somehow financially wronged.

But the other thing is around the legal bill. Will the minister commit to paying the legal costs that they have incurred in order to try and get the information that they feel that they should have been able to get with Sask Housing co-op . . . with Sask Housing department's assistance without having to engage legal counsel?

Hon. Ms. Crofford: — It would certainly not be our practice to

pay legal bills that we haven't agreed to engage lawyers in the first place. Otherwise anybody in the province could be engaging lawyers and sending us the bill. I mean, I don't think you would agree. I don't think the auditor would agree that we could do that.

We do agree to provide a mediator which is a person who acts on behalf of the parties there. I don't know if Larry can provide any other response, but that would certainly be my view that we can't pay after the fact for something that was just never approved.

Mr. Merriman: — Yes, Madam Chair. I just had another question that . . . you know, I have met with these people. I've had lawyers look at it for them. I've had accountants look at it for them. I mean, they're asking a basic, simple question: how much do I owe on my mortgage? I mean I can phone the Royal Bank and get that answer in two minutes. You know, why can't they get that information? That's a simple thing. That's not a complex thing that you need to get people in.

These people are asking simple questions, and they can't get simple answers. That's the problem. I understand if you can't get to the end of the dialogue of whether there's wrongdoing, but answer their simple questions. I mean, get back to them with an answer on something and say, we're going to be another two months before we can respond to this. That's acceptable. What's not acceptable is that, you know, the two years I've been dealing with these people, they can't get fundamental answers.

Hon. Ms. Crofford: — Well I'd have to ask Larry whether that's factual or not.

Mr. Chaykowski: — That type of detailed information has now been passed on, and that's what has generated a new series of questions that we're working through. So there's been a terrific amount of information that is passed between the two parties. And it's coming to an understanding of what all those financial records, you know, what the essence of them are and in terms of whether the cut-off on all . . . from the transition from one neighbourhood development organization to the other, whether all the transactions were smoother than that. But individual accounts and stuff, that information has been passed on to the best of my knowledge.

Mr. Merriman: — I understand what you're saying. And I appreciate the complexity, and I'm not trying to minimize it. But it took them well over a year and a half to get that simple information, and that's unacceptable.

You know, it may be fine to get to the solution of the problem that has some complexities from accounting or date changes or company changes or whatever. I understand all of the accounting side of that. What I don't understand is when they call and say, I just need to know (a) a copy of the contract on my home, (b) what do I owe on my mortgage . . . They should be able to walk in, in the street, and you should be able to respond to that in less than one minute. And anything else is unacceptable. I rest my case.

And, Madam Minister, I'd like you to look into this case because that has happened to these people and put them through

undue hardship and stress that they didn't need to be under for simplistic questions, not the final answer. And I understand what you're saying, but for those simple questions, they should be answered in a reasonable period of time. Thank you.

The Chair: — If there are no further questions at this time, I'll entertain a motion that this committee adjourn consideration of the estimates for the Department of Community Resources and Employment. Ms. Bakken Lackey. Agreed?

Some Hon. Members: — Agreed.

The Chair: — We're now adjourned.

[The committee adjourned at 16:52.]