



# **STANDING COMMITTEE ON HUMAN SERVICES**

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**STANDING COMMITTEE ON HUMAN SERVICES  
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Ms. Judy Junor, Chair  
Saskatoon Eastview

Mr. Wayne Elhard, Deputy Chair  
Cypress Hills

Mr. Lon Borgerson  
Saskatchewan Rivers

Ms. Joanne Crofford  
Regina Rosemont

Mr. Peter Prebble  
Saskatoon Greystone

Mr. Don Toth  
Moosomin

Mr. Milton Wakefield  
Lloydminster

[The committee met at 15:38.]

**Bill No. 6 — The Youth Drug Detoxification and Stabilization Amendment Act, 2006**

**Clause 1**

**The Chair:** — Good afternoon and the Standing Committee on Human Services is meeting today with the agenda items consideration of Bill No. 6, The Youth Drug Detoxification and Stabilization Amendment Act, 2006 first up. And the minister is here with his officials. If you can introduce your officials and if you have an opening statement to the Act, please do so now. And then we'll entertain questions.

**Hon. Mr. Addley:** — Thank you, Madam Chair. I'm joined by Roger Carriere, executive director of community care branch; and Karen Gibbons, director of mental health and addictions, community care branch; as well in the row behind, Roxanne Roth, alcohol and drug consultant, community care branch; and Trish Livingstone, director of health information and analysis.

And I just have a brief opening statement. I know our time is constrained given we have some other items on the agenda. But briefly, The Youth Drug Detoxification and Stabilization Act was proclaimed April 1, 2006. Since that time, approximately 120 young people have been detoxified, stabilized, and have been linked with resources and supports within their home communities.

The government takes seriously the concerns of various groups in regard to The Youth Drug Detoxification and Stabilization Act. And there are three areas of concern that will be addressed with these proposed amendments, and they are the development of a care plan; police transportation; and confidentiality, in particular the youths' and parents' or guardians' right of access to personal health information files, and retention and destruction of personal health information files.

Adding a care plan clause to the legislation will ensure that every youth admitted into the secure youth detox centre will receive a plan for care upon expiration of the detox order if possible.

The amendment regarding transportation will clarify that police have the authority to transport youth from the first physician assessment to the second physician assessment.

The amends regarding confidentiality will clarify the right of access to a youth's personal health information file and will provide for regulation-making power regarding retention and destruction of personal health information files.

And finally we will continue to consult with various groups and make the necessary amendments to ensure that the Act supports the needs of those most vulnerable to their society.

With that, I'm more than happy to entertain any questions.

**The Chair:** — Questions then. Mr. McMorris.

**Mr. McMorris:** — Thank you, Madam Chair. I just have a

couple questions on the Bill, and I guess the first one would maybe come out of your statement that this Bill was passed for the first time on April 1, '06. So it's a month and two or three days old, and we're revisiting and having to amend it. Could you maybe explain? Were, I guess, were the, you know, the Children's Advocate and the Privacy Commissioner not consulted when the first Act came into place, that they were the ones requesting these amendments? You know, it just seems that to have to revisit an Act as soon after passage is a little unusual.

**Hon. Mr. Addley:** — Well what we are trying to do is balance the concerns that are raised by those that want more rights for the youth versus those that want more rights for the parents, and then the enactment of the legislation.

So we were the first jurisdiction in Canada to actually proclaim legislation, and it was April 1st a year ago. So it's a year old now. And we said at the time that, given that this is groundbreaking legislation, that as we move forward, we will entertain any further amendments.

And so I guess the areas that we are talking about now are the area of a care plan. That was always envisioned. That was always part of that, but the Children's Advocate felt more comfortable if that was actually part of the legislation. The other area with the police transportation, our officials felt that they already had the right to do what they were doing, but to ensure that they were reassured, we decided to make it more explicit that they do have that. And the last one was how the information was going to be gathered and utilized.

And so we're not actually doing anything different than we envisioned. It's just that it's reassuring those stakeholders that had expressed some concerns. So consultations have taken place, and they will continue to take place.

**Mr. McMorris:** — So it'd be fair to say then that amendments were really driven from the various groups, whether it's the Children's Advocate or — you know, I don't know who — Privacy Commissioner. But I don't know who would have driven the issue around the police and transportation and that. That was more through the department?

**Hon. Mr. Addley:** — No, that was more through different police agencies that said, you know, do we have the right to do this? Justice did provide assurance that they do, but we felt that we're opening this up for the other areas, we may as well provide that assurance to police as well because — you know, this is groundbreaking legislation — we're all in this together. We're all wanting to help these kids get the help that they need. And if we can make it as user-friendly as possible, we're happy to do that.

**Mr. McMorris:** — So once these amendments pass and go into effect, you will then still be consulting with the various organizations because this is, you know as you said, it's such a new piece of legislation and groundbreaking compared to any other provinces. I imagine there'll still need to be lots of consultation. And we may see amendments coming forward every year for the next few until they feel that they're comfortable with it.

**Hon. Mr. Addley:** — Well I don't want to say that necessarily there will be amendments, but we're open to them if we're felt that it's warranted. As I said . . . I don't want to repeat it, but it is groundbreaking legislation. Most of what we do is evidence-based best practice. This has not been shown to be that yet, but it's not been shown to not be this yet. So we are working to, you know, collect information, collect data.

Manitoba last fall has proclaimed legislation on this, in this area, and Alberta in July last year, a few months after we did, have also proclaimed legislation. And so we are working with those jurisdictions as well on data collection to see if this is effective, if this is the best way to be approaching this serious topic. And so if there are areas that we can improve on the legislation, we certainly would be open to do doing that.

**Mr. McMorris:** — One final question for myself. And I don't expect you to necessarily have to answer for the child's advocate, but we do know that he had some reservations with the Bill, and I'm not so sure if he's moving, you know, or advising that some of these amendments go forward, how he's feeling about the Bill now. I certainly know that there has been reservations from the child advocate. Would you say that, you know, he would be comfortable with where we're at right now?

**Hon. Mr. Addley:** — And I would be open to being corrected by the Children's Advocate, but I think it would be safe to say that he would feel that he was thoroughly heard, that he was consulted, and we've been able to understand all of the issues that he's raised, that he wished that we had gone further, but that he appreciates the steps that we have taken. So I think we hear and understand his perspective, and we respect his viewpoint, and that we probably haven't gone as far as he would like to go.

Having said that, there's the balance between what he is saying — which is very valid and legitimate — but it's also with what parents are saying, that they have a child in a situation that they're quite stressed and don't know where to turn and don't know what to do. And we want to make the legislation to be as user-friendly as possible while at the same time safeguarding so that the children's rights are protected. We believe we've got that balance. Others may not agree, but we've at least listened to them. And if need be we can make future changes into the future if need be.

**The Chair:** — Mr. Elhard.

**Mr. Elhard:** — Thank you, Madam Chair. Mr. Minister, you indicated in your opening comments that about 120 young people had been impacted by the existing legislation. How did that number compare to what you may have originally estimated?

**Hon. Mr. Addley:** — Again it's very challenging to say what . . . It was hard to say what to expect because it's not like we're introducing legislation that has been utilized in other jurisdictions, so it is groundbreaking. In my mind I was thinking that it would probably be about 60 per year. But again we just didn't know for sure. There was quite a few initially, and we thought that might have been pent-up demand. And so there was quite a few that came through initially, and then it seemed to back off a little bit, and then as it became more and

more aware throughout the province that number has continued to maintain. So it's about 10 people per month on average. I mean some months are higher. Some months are lower, but it's approximately 10 people per month.

**Mr. Elhard:** — Does your department envision an increased demand for the services provided by your department and legitimized by this particular legislation?

**Hon. Mr. Addley:** — I'm not sure I understand the question but are we . . .

**Mr. Elhard:** — Are you expecting an increase in the uptake?

**Hon. Mr. Addley:** — No in the sense that as more and more abilities or supports are in the community that . . . This is viewed as a last case resort. And so after a year of people using it and, you know, we're seeing some good results of these people that have gone through, that there's a reassurance with the parents that they're not needing to use this because there's other supports as well.

We have other programs coming in place over the next year with a treatment centre, expanded treatment centre in Prince Albert. Right now it's a six-bed interim. It'll eventually be a 15-bed permanent, and the same with Saskatoon. We're planning an expansion there as well, as well as some other initiatives that are coming on stream slowly. So it's really hard to anticipate what may happen. We're open to that, but we feel that given what's there, we can accommodate what the demand will be.

**Mr. Elhard:** — I didn't have an opportunity to read the legislation in detail, but you refer to the plan of care for individual clients or residents of the program. How detailed would those plans be? And does the Act specify or will that be done through regulation, or is that going to be left to the individual case worker or professional? Will the plan of care be significantly different depending on the circumstances and the individual involved? Can you describe for us what the plan of care is?

**Hon. Mr. Addley:** — Well the direction of what the plan is will not be prescribed in legislation because you don't want politicians saying this is what's best for that child. We're not the experts in that area. What we're saying is there shall be a plan. And that was always planned and always envisioned that that would be what would happen, but this is just to make sure and be explicit about it. So basically the concept is that whatever that young person needs, that young person will get. The whole concept is that we will take the child, put them in this centre, get them to the place where they can make a reasonable decision about what they want to do with their life, and then options are presented. And so in some cases it could be quite intense, what would be required. In some cases it could be on an outpatient. It could be spending some time at the Calder Centre on a voluntary basis.

So it's really working with that young person to see what is best for him or her and then just developing that plan. You know, similar to if we go to a doctor with similar problems, the doctor may prescribe different plans for different people because they are different individuals. So it's based on the individual and

what that person feels or what the professional feels is best appropriate for that individual.

**Mr. Elhard:** — But the legislation does envision a fairly specific outlining of what that plan would be in every individual case.

**Hon. Mr. Addley:** — Yes.

**Mr. Elhard:** — I have no further questions.

**The Chair:** — Mr. Wakefield.

**Mr. Wakefield:** — If there's no other questions . . . Okay. Thank you, Madam Chair. I just have a couple of questions following up on this. When do you anticipate this Bill, these amendments to be in effect so that action can be taken as of such and such a date?

**Hon. Mr. Addley:** — Well we actually haven't really waited for the Bill in the sense that we're basically making what we're doing more clear. So we're already providing care plans. We've hired 19 individuals throughout the province to ensure that those care plans are happening throughout the province. Most regional health authorities have an additional FTE [full-time equivalent]. Several of them have one and a half FTEs. So that is already in place. So it's a matter of when this Bill is passed, and then we'll establish a time to proclaim it. I don't think it will be very far into the future.

**Mr. Wakefield:** — You've maybe answered part of my next question. To get the amendments in place and an action plan put in place, what is the cost of getting this into place — the cost both in dollars and FTEs or personnel? I know you've talked a little bit about that already. But I'm sure you've thought about how much this is going to cost. And has that already been put in place as you mention?

**Hon. Mr. Addley:** — Well if I'm clear on the question, the overall budget ongoing is just over \$3 million a year. So that has incorporated that. Is that what you're asking for?

**Mr. Wakefield:** — Yes. I guess I'm asking, is there going to be any incremental cost on the basis of these amendments that we're discussing now?

**Hon. Mr. Addley:** — The short answer is yes, but that is part of the overall budget that has been approved. So we don't need . . . That's already anticipated in the budget, and that has already been provided to all of the regional health authorities. So as of this point on it's already . . . the money's already out in the regions, and I believe it was in the neighbourhood of 600,000, 700,000.

**Mr. Wakefield:** — Yes. And that again is anticipation that these amendments to this Bill would be passed?

**Hon. Mr. Addley:** — Well it doesn't really require that this Bill be passed in the sense that we already were envisioning that there would be a care plan. There already would be linkages to their home communities, and it was already part of that process. This is just clarifying and putting it quite explicitly that this is what we're doing. So even if it's not passed, we're still going to

do that — already doing it — but it's reassuring those that this is actually happening and that we can't next year say, well we won't now do this, you know. Basically it will mean that we can't stop doing it . . . if it's passed.

**Mr. Wakefield:** — Yes. Okay. That's a little confusing, but let me move on to another question then. The care plan that you have in place or plan on putting in place, you know, subject to these amendments . . . the changes or the plan that's already in place, is the care plan strictly involved with the facilities that are in place now and receive a granting or some kind of funding from the different departments?

**Hon. Mr. Addley:** — For the care plan?

**Mr. Wakefield:** — Yes.

**Hon. Mr. Addley:** — Roger will answer that.

**Mr. Carriere:** — As soon as the youth has been admitted to the detoxification facility, the staff work on a discharge plan. And that plan may involve currently funded facilities such as Calder and such, but it might include other things too. If there are resources out there that are a better fit for that youth, they may make arrangements with those other resources to follow up with that youth.

**Mr. Wakefield:** — For example, would it apply in my home city of a facility called the "Slim" Thorpe Recovery Centre which is privately administered? Would it apply there?

**Mr. Carriere:** — Yes, it could. Actually Saskatchewan Health does provide funding to the Prairie North Regional Health Authority to provide funding for certain beds in that facility for this purpose. So actually it's a good fit. I'm a little unclear how much that facility accepts youth. I think it tends to be more of an adult facility, but that's not to say it couldn't be used.

**Mr. Wakefield:** — No, I think you're correct. It does focus primarily on adult, but I guess I used that as an example of more of a private initiative facility. And there's, I think there's becoming more in — at least in people's minds — more of a need to get involved in private facilities. They're going to become more and more of a fact of life, I believe. And I don't know if you would feel the same.

**Hon. Mr. Addley:** — Well again going back to a previous question. The plan is intended to link to the community those services that that young person requires to have success in life.

Statistics show that in most cases, the vast majority, it would be on an outpatient basis. It's not often that young people require an in-patient stay in a facility. But if they've already spent their five days or up to 15 days in the detoxification centre, it's possible or probable that they don't need additional in-patient care elsewhere. But that's up to the addiction professional working with the family to see what that is required. And if it is required, then that's what will be provided.

So we don't want to limit what resources might be available to the addiction professional and to that family. But whatever that person needs, we'll work to ensure they get that help. And if "Slim" Thorpe is what is required in their home community,

then we'll make arrangements so that they can get that.

**Mr. Wakefield:** — Well I appreciate the answers. And I was trying to get my head around just the, you know, the delivery plan of what was happening. And I'm pleased to hear your comment that whatever is needed will be provided.

**Hon. Mr. Addley:** — As much as is possible.

**Mr. Wakefield:** — Yes, well I'm certainly not an expert in any field. But I do know that part of the circumstance that is very much involved with these amendments . . . I can name a couple of them in my home city where the youth was . . . nobody was really responsible, and that person needed much more than five days, and five days was certainly not adequate. It was, you know, stretched into months actually before they became an active part, a member of society again that could fulfill their duties. I'm not an expert at that, but that's just what I understand.

So when I hear you say that you'll do, within reason I guess, whatever is needed, that's appreciated.

**Hon. Mr. Addley:** — Well I can say just as an ending comment is that when I toured the facility when it was starting to be open, I was quite impressed with the home-based element. It looks very much like a home. I mean, it's very structured and all of that, but the number of people that have phoned back, both parents and in particular young people that have gone through the facility . . . The people that work there know each and every one of these young people, and many, many, many are calling back just to keep the people that work there up to date with their progress, how they're doing. And there's a large file of thank you notes and thank you cards and those sorts of things.

So from concern by the individuals that this is going to be a challenging place to work, it is. But it's also a very rewarding place to work, and they've really been quite important in the next step in these young people's lives.

**The Chair:** — Thank you. Any further questions? Seeing none then, Bill — getting ahead of myself — No. 6, An Act to amend The Youth Drug Detoxification and Stabilization Act, short title, is that agreed?

**Some Hon. Members:** — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 12 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Youth Drug Detoxification and Stabilization Amendment Act, 2006.

Could I have a member move that we report this Bill without amendment to the Assembly?

**Mr. Prebble:** — I so move, Madam Chair.

**The Chair:** — Mr. Prebble, thank you. All agreed? Agreed. Thank you.

## Bill No. 39 — The Tobacco Damages and Health Care Costs Recovery Act

### Clause 1

**The Chair:** — And the next item up for business on the agenda is also with the Minister of Healthy Living, and it is consideration of Bill No. 39, The Tobacco Damages and Health Care Costs Recovery Act. So if the minister has any different officials, could introduce them. And if there's an opening statement to this Act, please do so now.

**Hon. Mr. Addley:** — Yes. We have very different officials: George Peters, special advisor, population health branch; as well as Rick Hischebett, civil law division, Saskatchewan Justice. Is that correct? And as well, row back, is Lauren Donnelly, assistant deputy minister.

And brief opening statement is, the tobacco damages and health care recovery Bill was introduced last fall and will enable us to take legal action against tobacco product manufacturers to recover the health care costs expended by government in treating tobacco-related illnesses.

This legislation is necessary to give government the legal basis to pursue an aggregate lawsuit against tobacco product manufacturers to recover government expenditures for past, present, and future health care costs in the treatment of tobacco-related illness and disease suffered by Saskatchewan residents. Without this legislation, government would not be able to pursue this type of global lawsuit. The legislation is consistent with similar laws passed in British Columbia, Newfoundland and Labrador, Nova Scotia, New Brunswick, and Manitoba.

I look forward to answering any questions, and thank you very much.

**The Chair:** — Questions then. Mr. McMorris.

**Mr. McMorris:** — Thank you. I guess a couple questions on this. I realize that this piece of legislation then enables the province to take legal action against the tobacco companies. You've also mentioned of a number of other provinces — 1, 2, 3, 4, 5 other provinces — that have this legislation in place. What's envisioned? Are all the provinces going to band together and pursue, or are provinces individually pursuing legal action against tobacco companies? Or is this in fact a little bit of a sabre-rattling exercise to say that we can do this now — to the tobacco companies — you'd better smarten up? Has any legal action been taken by any of the other provinces, or are you looking at doing it as a joint suit?

**Hon. Mr. Addley:** — Well we're working together with other provinces to see what can be done together. The only province that has begun legislation is British Columbia, and they've been working at this for quite a few years. And part of the reasons why other provinces are now coming on board is that the Supreme Court ruled — I believe in 2005 — that this legislation is constitutional. And that's why all of these provinces have passed Bills that are basically the same, because they've already been tested by the Supreme Court.

This is a very expensive process, to sue tobacco companies, and so anything that we can do to share costs or work together, not duplicate information, that's a positive thing.

The other aspect is it's not just about trying to get the tobacco companies to pay for the damages that they've caused, but it's also a vehicle to talk about the issue, provide information to highlight the issue in the public, to collect information from the tobacco industry, compel them to provide information and reports in the past. So it's really part of an overall strategy that is found to be effective. So it's too soon to say.

You know, we have had some initial discussions with other provinces of what they want to do and where they want to go. For example, New Brunswick has opened it up to, or has asked tobacco . . . or, sorry, asked law firms whether or not they would be willing to take this on on a contingency basis. That's not how British Columbia has approached that, so there's some analysis and discussion to see which way is the best way to go. So I think it's preliminary. It's early to say, but if we can have a Canadian or national approach to this, all the better.

**Mr. McMorris:** — I was interested in your comments. You said that this legislation will . . . I guess I don't quite follow it, in that tobacco companies will be more forthright with information. How does this legislation force . . . Unless you take them to court, this legislation does nothing to make tobacco companies more forthright with their information, does it?

**Hon. Mr. Addley:** — That's right. What I meant was that if we do proceed with this legislation, it's not just about collecting money from the tobacco industry. It's also about collecting information in a lawsuit, encouraging them . . . or not encouraging, compelling them to table research, documentation, those sorts of things in past years. So you're right. I'm glad that you asked that so that I could clarify that. That would be as part of a process once we go down that road.

But we've not actually made that decision to sue tobacco companies yet. This just is getting ready to in case we choose to do that. And we haven't made that determination yet. But we're getting ready to so that if we do make that decision, we can do that fairly quickly. As I said, the other provinces that have passed this legislation have also not started suing yet and have not made that determination yet.

**Mr. McMorris:** — I was interested to hear when you said British Columbia . . . Did I understand right? Their legislation that they passed in British Columbia was challenged and went through the Supreme Court and was then deemed to be correct, I guess. And our legislation is written in the same vein as British Columbia?

**Hon. Mr. Addley:** — Yes. And if Mr. Hischebett wants to comment on how similar all of them are, I'd be open to that. That's why we can't really entertain any amendments if we think of better ideas because, if we do that, then what will happen is it gives an opening for the tobacco industry to challenge the constitutionality if it's much different than BC's [British Columbia], which is why all of them are basically the same. I probably have already answered the question but . . .

**Mr. Hischebett:** — Pretty much so. The circumstance is simply that British Columbia started down this path in 1997, amended its Bill, put a new Bill in 2000, and then finally found its way from preliminary challenges made by the tobacco company to the validity of the legislation, to the Supreme Court in about September 2005. So it was a five-year struggle without actually really accomplishing much in the lawsuit itself rather, in preliminary challenges to the legislation. And they're not quite done their preliminary challenges because we have tobacco manufacturers who are primarily the parent companies still challenging British Columbia's ability to bring them into a lawsuit right now.

And so there still are some challenges going on that are preliminary. And in passing or in putting forth this legislation, what we want to do is to avoid as much as possible those types of delay tactics and actually benefiting from what has already happened insofar as BC has defended its legislation.

**Mr. McMorris:** — It will be a long road then, I guess, if you're saying that . . . I mean it's taken five years just to get to the point that we think that the legislation will stand up, let alone trying to then actually go after the tobacco companies. If it's taken five years just to get legislation to allow us to go after the tobacco companies . . . I mean as you said it will be a very, very expensive process once we actually, if provinces decide to, to actually go after the tobacco companies. I mean you can spend a lot of time and resources just getting to this point.

And so British Columbia sounds like they're pursuing it a little bit. Nova Scotia's going on a little different tack. What about the other provinces, the other three provinces that have passed legislation? Are they looking at pursuing the tobacco companies? That's one question. And the other question is, you know, it kind of stands out to me when you look at the provinces that are going after the tobacco companies . . . and you don't have Quebec or Ontario or Alberta going down this road. Do they feel . . . I guess I'm just surmising that perhaps they feel that it's too far, too long of a road to go down, that, you know, accomplishing anything is kind of tough to imagine.

**Hon. Mr. Addley:** — Well it is a long, long process. Just to clarify, it was New Brunswick that has put out feelers to see whether or not law firms would take on the process on a contingency basis. It wasn't Nova Scotia. The two provinces that have said that they won't proceed down this road is Alberta and Ontario. That's unfortunate. The more provinces and the larger provinces that do sign on the less cost there will be. Quebec has not stated where they are going to go at this point, but we have to decide amongst ourselves — amongst the provinces — that are already part of that whether or not we want to start a lawsuit. So we've had some preliminary discussions as to whether or not we can do this together — share costs, share research. We've got a lot of work to build our case which we haven't really started yet because the legislation hasn't passed yet.

In US [United States] where the states banded together and took the tobacco industry to court, it was a very, very, very long process, and eventually they did settle. And it was, you know, I think it was \$245 billion over 25 years. I'll just double check that number. Yes, it was \$245 billion over 25 years that they paid as well as some other conditions on providing information

and, you know, stopping certain kind of marketing techniques, that sort of thing.

So it's possible that that is the outcome, but part of BC's strategy is not even just to get to the money, but it's also to get information on marketing because, you know, it was shown that some are saying that tobacco companies marketed to kids, that they marketed to women in the '60s, that they knew that this was harmful to their health but didn't disclose that. And so that's other information that can come out of a court case that BC is providing. Well we can use that information if we decide to go down that road. So we haven't made that decision yet, but this is getting ready in the event that we choose to go down that road.

**Mr. McMorris:** — One final question, you used the example of what happened down in the United States and the settlement and you used money as kind of the gauge as to whether it was successful or not. Did they get any information? I mean, I guess there's two sides to it. There's the monetary issue of, you know, however much you're going to try and sue them for or be settled for, but there's also the information side which would be very interesting. I wonder, down in the States, was there much information that the tobacco companies had to disclose?

**Hon. Mr. Addley:** — Yes there was, and there was also agreements on how they will conduct business from this point forward, but I'll let Mr. Hischebett talk.

**Mr. Hischebett:** — As part of the settlement in the States and elsewhere, there were document depositories created in which a number of the manufacturers' documents — in relation to their United States practices anyway — needed to be deposited in and are on record. And I mean there are rooms of documents. They're massive, massive depositories. And it's these documents that actually help fulfill, you know, a second component of the legislation itself which is an educational component.

When you bring a lawsuit, these documents come to the fore. And these documents help to show exactly what the tobacco companies' practices are in relation to what information they had at what time and what was disclosed or what wasn't disclosed. And so the lawsuit itself will utilize a lot of these documents and the documents that have to be provided by the tobacco companies as part of their discovery process. And so it has a public education aspect to it as well.

**The Chair:** — Thank you. Mr. Elhard.

**Mr. Elhard:** — Thank you, Madam Chair. Mr. Minister, you indicated earlier that the provinces of Alberta and Ontario have decided against proceeding with this lawsuit against the big tobacco manufacturers. Can you tell the committee what the reason for that decision might have been? What's the public position of those two governments in relationship to this potential lawsuit?

**Hon. Mr. Addley:** — Well this is an expensive process to do this. And any government will have to decide . . . Every government has the challenge of number of people that are smoking and dying from tobacco-related illnesses. And Saskatchewan, it's about 1,000 people a year, each and every

year. And the strategy is, what's the best way as a government to allocate those resources to ensure that young people don't start smoking, that people that do smoke can quit — those kinds of things.

From what was publicly stated, Alberta and Ontario decided that instead of putting the money into a lawsuit and defending that and doing their research and those kinds of things, that that money would be better spent on prevention programs, on smoking cessation programs, those kinds of things. And that's an analysis that Saskatchewan will have to go through as well if we decide . . . when we sit down and actually make that decision to go down that road because at some point it may become too expensive and that money may be better allocated to other programs and other ways to do this. But that's not a decision that we have to make today fortunately.

Now Ontario also has a huge tobacco growing industry that may have an issue as well whereas in Saskatchewan we don't have a tobacco growing industry, so that may have played into it as well. It's hard to say what reasons they are, but those are probably some of them.

**Mr. Elhard:** — I guess if cost were the primary consideration on the part of those two provinces, they would be among, you know, the most probable jurisdictions to be able to afford a lawsuit of this nature and this cost. So I guess if the two wealthiest provinces in the country can't justify proceeding down this path because of the expense, the next question becomes can we? Under any circumstances, can we? Or ought we go down that path? And I guess I'm just wondering if you're looking at the odds of this type of a lawsuit succeeding. Alberta and Ontario can afford to risk more money in success and/or failure. So I guess I'm not, with them pulling out, I'm not given to believe that we've got a lot of expectation of winning.

**Hon. Mr. Addley:** — Well you also have to look at if we're attaching it to that. I mean Saskatchewan, Alberta, and BC are three of the most affluent provinces and will be the most affluent provinces. Two of those three are proceeding with that. So I think we could argue back and forth. But again you may end up being correct down the road that Saskatchewan decides — you know what? — we passed this legislation, but we've decided that we're going to attack this problem in a different way. But that's a problem or a discussion at a future day.

But it's not just about the money. It's also about the education, about the information that can be gathered, about holding tobacco companies to account.

And the other thing is other provinces have said at different points that they won't have smoke-free public places legislation. Well Alberta's in the throes of that debate right now. Instead of doing it by municipal basis, they'll do it on a provincial basis potentially. Well if that question was asked five years ago in Alberta, there's not a chance that they would go on a provincial basis, that it was going to be up to the municipalities.

So it's a no right now, but who knows what a year or two or three might bring. They may determine that they've moved further along, and it is a matter that they do want to join. So I don't think it's a hard and fast no at this point. They've just



indicated that at this point they're not prepared to proceed.

**Mr. Elhard:** — Have your legal advisors given you any comfort in looking at this legislation and knowing what we know already as a result of previous lawsuits in the United States what our chances might be of winning a lawsuit of this nature?

**Hon. Mr. Addley:** — I'm not aware of any legal opinions that have said, this is what the chances are. Now there may be legal opinions within Justice. I don't know what those chances are, if they are. But I think we all know what the chances may or may not be.

In the US, they settled. They felt that 245 billion over 25 years was substantially less than what they would have had to pay if they'd have continued on with the court case. Well that's quite indicative. The fact that they've battled British Columbia every step of the way, expending significant resources to not go to court, indicates that they're concerned that if it does go to court they may have to pay because if you think that you've done nothing wrong and that your case is strong, sure, let's go to court. We'll settle; it'll be done.

So we don't know what the answer is, what the chances are. And again we haven't decided whether or not we're going to go down that road, but well I guess that's the answer.

**Mr. Elhard:** — Mr. Minister, what's going to have to happen to make that decision? What factors are going to play into the decision? What is the province of Saskatchewan, the Government of Saskatchewan today looking at in terms of evaluating its continued participation in this, in this exercise?

**Hon. Mr. Addley:** — Well I think the first point is that, by passing this legislation, it sends a signal that we are interested of potentially going down this road. Then we'll show that this is something that the legislature is interested in. We can then begin to gather the information within the Department of Health. We can start to work even more closely with the other provinces to see whether or not we can share information, share expertise, not duplicate services. And then at that point, the discussion will be, this is how much it will likely cost versus this is what the expected outcome over this period of time will be. And then the government of the day will then decide, this is the direction that we want to go.

It also prepares us in the event that the tobacco industry decides that they do want to settle. We're ready to go in the event that that is happening. We can just proclaim the legislation, and we're immediately part of that process. So that's more of a discussion of how we would make the decision.

I can't really tell you today because I don't know the answer as to what the numbers would have to be, how expensive or how affordable it would be, what the expected outcome on . . . amount of money that we could claim. We don't have that information today. And I can just lay out what kind of things would have to be able to be answered by a future cabinet.

**Mr. Elhard:** — From your consideration of this piece of legislation, however, there must have been some discussion in your government as to the critical mass required among the

provinces or among the jurisdictions that are looking at doing this before Saskatchewan would proceed. I don't anticipate we're going to proceed on our own. It looks, and from what you've said it sounds like, we're looking at the support of other jurisdictions that would help us allay some of the costs and give more weight to our legal actions. So do we have a critical mass of provincial or territorial jurisdictions that have to participate before we would even consider moving forward?

**Hon. Mr. Addley:** — Well the short answer is no. And the long answer is, if we did, I'm not sure I would want to disclose that because we're then getting into strategy for the tobacco industry. And so I don't want to be more helpful than I need to be. I mean, I want to answer questions here, but I also don't want to provide research for the tobacco industry for future defence of lawsuits. So the other thing is not a lot of work has gone on of assembling information in health. Not a lot of work has gone on in contacting other jurisdictions and working with them because this legislation hasn't passed. So I don't think we have a magic number, if that's what you're asking. And if I did, I wouldn't disclose it because I don't think it would be a best interest for Saskatchewan people for me to do that.

**Mr. Elhard:** — We might offer to go in camera if you'd like to do that.

**Hon. Mr. Addley:** — I already said we didn't have one.

**Mr. Elhard:** — Mr. Minister, can you, for the purposes of our interest in this topic, tell us how much time has been invested in this exercise by your government, by your department and/or the Department of Justice?

**Hon. Mr. Addley:** — I'm not sure I understand where the question's coming from. Any piece of legislation will take some amount of time in the sense that, you know, we have individuals that draft the legislation; it's gone to committee to be reviewed; through LIC [legislative instruments committee]; through cabinet; through caucus, those kinds of things. But to actually draft the legislation, it's very similar to the British Columbia legislation, so it's not as onerous as if we were drafting it on our own. So it's very similar to the BC's legislation. So, you know, we've done our due process, but it hasn't been considerable.

**Mr. Elhard:** — In most pieces of legislation that are brought to us though, there is a specific cause and a rationale associated with it. There's been reason to draft legislation based on, you know, public concern on an issue or whatever. But in this instance it's quite a bit more speculative. And I guess what I'm wondering is, are we spending more time than we ought to develop this legislation and consider the possibilities? Does the end result justify the investment of time and money to date?

**Hon. Mr. Addley:** — Well we're talking about probably the biggest . . . The single biggest health care problem in North America is the whole preventable health care problem in North America. In Saskatchewan it's 1,000 people a year die from tobacco-related illnesses. I believe in Canada it's something in the neighbourhood of 45,000 people each and every year die from this area.

I'll give an example. In the early '60s the percentage of women that smoked was quite small compared to the percentage of men

that smoked. During the women's movement of the 1960s when women's empowerment was coming about and was very strongly supported in North America, a decision was made by the tobacco industry that they could capitalize on that, and so they worked very hard to link themselves to the women's movement.

And that's where you have the Benson & Hedges ads, "You've come a long way, baby." And the result of that very calculated decision to market to women, to somehow connect the women's movement to smoking, resulted 40 years later in lung cancer now overtaking breast cancer as the leading cause of death for women. So that was a calculated decision by some business folks somewhere in a tobacco company boardroom.

So the little bit of time that has gone on so far to get prepared for this, in the event that we want to do this so that we can build a consensus with other provinces, so we can indicate a willingness to other provinces that this is something that Saskatchewan is interested in pursuing and willing to partner with other provinces to have a national agenda to hold tobacco companies to account for the death and destruction that they've provided, I think that's a very small cost.

**Mr. Elhard:** — Thank you, Mr. Minister. We have no further questions.

**The Chair:** — Seeing none then, Bill No. 39, the short title, The Tobacco Damages and Health Care Costs Recovery Act, is that agreed?

**Some Hon. Members:** — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 12 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: The Tobacco Damages and Health Care Costs Recovery Act.

Could I have a member move that we report this Bill without amendment to the Assembly? Mr. Prebble?

**Mr. Prebble:** — I so move, Madam Chair.

**The Chair:** — Thank you. Mr. Prebble has moved that we report this Bill without amendment. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — All in favour? It is carried. Thank you. Thank you to the minister and his officials.

**Hon. Mr. Addley:** — Thank you, Madam Chair. I'd just like to thank the committee for their attention to this issue and their good questions and thank you very much for passing these two pieces of legislation.

**Mr. Elhard:** — Thank you to the officials for being here and answering good questions.

**The Chair:** — The next item up for business before the Human Services Committee is consideration of estimates for the Department of Culture, Youth and Recreation. And welcome to the minister and his officials. If you would introduce your officials that are here with you today. You're the first group that's come before the committee for the new estimates. And if you have anything that you want to say before we begin your estimates, please do so now.

**General Revenue Fund  
Culture, Youth and Recreation  
Vote 27**

**Subvote (CY01)**

**Hon. Mr. Hagel:** — Well, Madam Chair, we just might have something to say before we get started here. Never, you know, didn't want to pass up any opportunity for good news and there is a fair opportunity for good news out of the Department of Culture, Youth and Recreation this year as we're the department that's focused on quality of life here in the province of Saskatchewan.

But let me begin by introducing officials who are here with me today. And I expect as we go through our appearance before the committee, unless of course we vote it off today, that it'll be the same folks back again another time.

To my right, to the viewers' left, is the deputy minister, Barb MacLean. And I'll just ask the officials seated behind to just give a wave so they can be identified. I think you'll know most if not all of them from previous times. Dawn Martin, who's the executive director of culture in the heritage division; Brady Salloum, who's the executive director of strategic policy, recreation and youth division; Melinda Gorril, who is director of corporate services; and Nevin Danielson, director of youth policy and programs branch.

Also from SCN [Saskatchewan Communications Network], which falls within the confines of the department, Twyla MacDougall, who is the executive director of finance, strategic planning and human resources. And from the Saskatchewan Archives Board as well is Don Herperger, who is the Acting Provincial Archivist and director of government records branch.

Well, Madam Chair, members of the committee, let me begin by saying that essentially the work of the Culture, Youth and Recreation department is focused on what contributes to high quality of life and making life better here in the province of Saskatchewan. We work collaboratively with a lot of organizations and volunteers who enhance the province's cultural, artistic, heritage, sport, recreation, and social life and that really encompasses a big chunk of the province. Therefore we touch virtually every community across the province.

And I want to pay tribute to the literally thousands of Saskatchewan people who participate in these organizations. My department will deal literally with over 12,000 organizations that are touched by us. So it's a large cross-section. And it is, the people of Saskatchewan's efforts are supporting our priority to ensure that Saskatchewan is an attractive place to live and work and build a future.

In our discussion today on the '07-08 budget for the Department of Culture, Youth and Rec, I would like to acknowledge the growing leadership role of Saskatchewan young people in the life of our province. That's obviously a focus of all of us and particularly of my department in a formal way.

Our department sees this first-hand through our work with the provincial youth advisory committee. The committee is increasingly providing advice and taking action to help to ensure that the interests and priorities of young people are reflected in the government's agenda. And one of the recommendations has resulted in the Saskatchewan Youth Project Awards which puts youth in meaningful decision-making roles right in their own communities.

We see the increasing influence of young people through the Leaders of Tomorrow program which was developed with Saskatchewan's Crown corporations and has increased representation of young people on the boards of those corporations. And doing a mighty fine job, I might add.

As part of our focus to develop, attract, and retain young people, we have transferred the department's \$2.4 million youth employment programs — known formally as the Student Employment Experience, S-E-E-C — and the Green Team to Advanced Education and Employment. So they won't be with us in this budget plan. We believe it is a more strategic fit. It will help us to better coordinate workforce development initiatives through the 20 Canada-Saskatchewan career and employment services offices of Advanced Ed and Employment.

Culture, Youth and Rec will continue with its key priority to engage youth in leadership roles. And youth need to know that they'll be included; their voices will be heard. We believe these programs are helping young people, communities, and businesses to build their futures together here in the province of Saskatchewan.

The department's mandate is to support and celebrate Saskatchewan as a great place to live and work. We kind of like to do that. Culture and recreation are important inputs for cultural tourism, our economy, and the quality of life here in Saskatchewan. And I'd like to briefly mention some of the programs that support that mandate of our department. The Community Initiatives Fund, which is managed by a board of trustees, receives . . . and who are at arm's length from the department. The Community Initiatives Fund receives administrative support from the department for directing approximately \$6 million in grants funded from the profits of the Saskatchewan Gaming Corporation. This includes grants for hundreds of community-based human service initiatives. The Community Initiatives Fund also supports the In Motion program to continue increasing physical activity and well-being among Saskatchewan people.

Saskatchewan's vibrant sport, culture, and recreational sectors significantly contribute to the financial health of the province through employment, tourism, and other expenditures. Healthy and vibrant communities with culture and recreational amenities attract youth and business and add to community vitality.

Provincial and territorial ministers responsible for sport,

physical activity, and recreation have identified infrastructure clearly as our number one priority. We continue to ask the federal government to be a long-term partner, to join with us and other provinces, municipalities, and the private sector to meet our challenges of the future. And this priority has been reflected in the department's December announcement of the new, three-year, \$100 million building communities program.

In 2007-08 we will be investing \$40 million into the cultural and recreational infrastructure projects to build capacity, to serve regions for 20, 30, 40 years into the future. That's what that's all about.

To ensure the people of Saskatchewan have access to vibrant and diverse artistic experiences, artists need to be able to maintain a vibrant and a viable socio-economic status — in other words, make a living. The ministerial advisory committee on the status of the artist has done some very thoughtful work in the support of the arts sector to ensure that individual artists reap the benefits of their contribution to the provincial economy. And based on their consultations and recommended actions, we have a solid plan to build on.

This year's budget announcements that extend health care benefits to 30,000 vulnerable workers directly responds to one of the committee's recommendations as it clearly includes some of the artists — of self-supporting professional artists, self-employed artists — here in the province of Saskatchewan. Also in response to the recommendation of the minister's advisory committee on the status of the artist, executive government has adopted a Saskatchewan-first procurement policy for artistic goods and services where tender requirements can be met.

One of the major items of the status of the artist which we heard from advisory committee was that funding the Saskatchewan Arts Board was a priority. And since that recommendation, we have also seen that Saskatchewan Arts Board business plan is aligned with many of the recommendations by many of the advisory committee and that's very, very helpful. In response, we are making a 14 per cent increase in arts funding over last year to the Saskatchewan Arts Board, increasing by \$750,000. This funding will be used to improve artists' incomes directly by providing them with resources directly and by improving opportunities for artists and art organizations to leverage resources from other sources as well.

As with status of the artist consultations, some consistent themes are being heard in the legislative review that Legislative Secretary is — not legislative review, but the review done by Legislative Secretary Joanne Crofford, who we will all know of course, and who is doing her music industry review. And it's taking a high profile for many in the music industry. As I was at the Junos this last week and meeting with people from the music industry across the country, they're excited about what's happening in the world of music here in Saskatchewan. And Legislative Secretary Crofford's work in that is certainly part of that and being acknowledged.

Communities across Saskatchewan recognize that music is a springboard for tourism and it has become part of what attracts others to the province. We saw the Junos, we saw the Rolling Stones, and we'll see others later this year. Saskatchewan's

music industry has a wealth of talent, and Saskatchewan drew rave reviews at the Junos this last week. I know that you've seen them in the media. Obviously this is an incredible year to shine the spotlight on our music industry and carry the momentum beyond 2007. And we will be following with Western Canadian Music Awards in Moose Jaw later this year, the Canadian Country Music Awards in Regina, and Waniskâ Aboriginal showcase of the arts in Prince Albert, also in October.

Now another priority is that our heritage resources are protected and managed for the benefits of Saskatchewan people. As part of our ongoing commitment to heritage, funding of \$275,000 for the Saskatchewan Heritage Foundation is returning to the General Revenue Fund, I'm pleased to say. Transferring this back to the department is part of our work to further articulate government's role in heritage.

The voluntary sector is an integral part of the delivery of the multitude of programs and services, especially in sports, culture, and recreation — as I said, some 12,000 voluntary organizations. The Premier's voluntary sector initiative has been engaging the voluntary sector to identify key challenges facing many of the voluntary organizations such as funding practice and human resource capacity. And we're increasing funding by \$175,000 in the Premier's voluntary sector initiative for a total of 354,000 this budget. This initial investment will be used in community capacity-building leadership development and continuing to build awareness of the contributions the voluntary sector makes to our quality of life.

So to conclude, we also fund SaskFilm and the film employment tax credit, the Saskatchewan Archives Board, and provide support for the independent entities such as the Western Development Museum, the Wanuskewin Heritage Park, and the Saskatchewan Science Centre.

Madam Chair, I apologize for being lengthy, but there's a fair amount of stuff happening in the department, and I'm pleased to report that to the committee. And the officials and I would be happy to respond to your questions.

**The Chair:** — Questions then. Mr. Wakefield.

**Mr. Wakefield:** — Thank you, Madam Chair. That was a very long and complete opening statement, but it does give us a little time, little time left to go into estimates and we'll try and take advantage of that the best we can.

Just an opening comment if I could, Madam Chair. I know that we talked about this, Mr. Minister, about the building communities fund earlier on, and we had an interesting discussion. And I noticed, with body language, you were somewhat uneasy in answering all the questions I was putting to you.

A few days later there was a trip to my hometown and a very welcome presentation to the city of Lloydminster and it's certainly — as you note from the reception and from the media there and the public opinion — that it was well received in Lloydminster. It may not be the same altogether, and we'll maybe talk a little bit about that in other areas around the centres that have received that.

I noticed, if I could, maybe just a start . . . I have some questions that are more general, and maybe get into the philosophical, that I hope that you'll be able to respond with. But it may be another day now. But to start with I'd just like to talk about some of the numbers — this is estimates — and if we could, I would like to ask in the general expense. There is quite a jump from the estimated 2006-07 to the estimated 2007-08. Of course 40 million on the part of that summary appropriation expense statement is for the building communities, which leaves generally about a \$2 million increase in the budget, that aside.

Can you explain . . . And I'm going to ask some detailed questions, but could you give me an overall response as to what would generate a \$2 million increase in the expense with only a one FTE component increase?

**Hon. Mr. Hagel:** — Okay. Thank you for that question, Mr. Wakefield. Just in response to it, as you've noted, the bulk of the increase is the 40 million attributed to the building communities program.

For the remainder, there'll be some ups and downs but some of the increased spending areas will then relate to things like the mandated salary increases which is an ongoing. There is some . . . It will reflect, a little bit, some federal-provincial agreement monies that flow to sports and historic places. There is . . . [inaudible interjection] . . . Oh yes. I've referred already to the \$750,000 increase to the arts board, made specific reference. The Western Development Museum increase is 400,000 from the previous year. SaskFilm has an increase of 113,000 I think it is. And then there are some . . . [inaudible interjection] . . . Oh sorry, 131,000 — 131. I've referred already to the Saskatchewan Heritage Foundation increase of 275. So that went from zero to 275.

And then some of it is also related to upcoming events that I've referred to. The Western Canadian Music Awards is 73,000. The Prince Albert, the Waniskâ Aboriginal Festival, music festival is 73,000. The Scotties Tournaments of Hearts is 150,000. And this year the ministers of Culture and Heritage will be meeting in Saskatchewan, and there's 75,000 in the budget that is to accommodate that national meeting which will be here in the province.

**Mr. Wakefield:** — Thank you, Mr. Minister. And, Madam Chair, when I look at the more specifics . . . And I thank you for that overview. The central management and services portion — and that's, you know, the one that probably leads off this section on vote 27 — we're talking about centrally managed services, head office, program-based accommodations. I assume that means administration mainly. And I'm wondering why in particular that increased half a million dollars when the salaries doesn't show a great deal of increase there, for supplies and other payments mainly.

**Hon. Mr. Hagel:** — Madam Chair, just in response to the member's question, which is fairly specific, it will be again not surprisingly from a combination of things in addition to salary costs. In IT [information technology] there's an additional \$90,000. In the world of communications, there's an additional \$53,000. There will be inflationary pressures and some increases in the world of accommodations.

One that I know will be of interest to Mr. Elhard is the T.rex Discovery Centre has an additional . . . well it's actually the first time it's in the budget, of \$68,417 in this budget. And then we have responsibilities for things like the sound stage, Conexus Arts Centre, MacKenzie Art Gallery, and then the department itself, so which have inflationary pressures related to them. So it's a combination of all of those things together that adds up to that amount.

**Mr. Wakefield:** — Just so that I'm clear then, in the description they call this: "Provides executive direction and centrally-managed services" in those various areas, "that include head office and program-based accommodations." Is what you're talking about, the T.rex Centre, the other examples that you used? Is that under the heading, program-based accommodation?

**Hon. Mr. Hagel:** — The others are for accommodations. The program and the staffing related to those operations are not within the department's budget.

**Mr. Wakefield:** — The staffing is not included in the budget?

**Hon. Mr. Hagel:** — The staffing of the department is included in the budget, but there is not staffing related to the sound stage, Conexus Arts Centre, MacKenzie Art Gallery, in the budget. And there will be two employees whose home base is the T.rex Discovery Centre.

**Mr. Wakefield:** — The increase in communications, is that advertising communications or what did you include there?

**Hon. Mr. Hagel:** — It's a combination of, the \$53,000 is a combination of the promotion and the awareness of the music industry which, as I said in my opening remarks, is a high priority. The music industry review is taking place along with the music events. That's part of it. And part of it is partnering with outside-of-the-department sector partners in the general awareness and communications of activities.

**Mr. Wakefield:** — Would it be fair to say then, Mr. Minister, that the central management and services portion of the budget was expending advertising money for the musical shows that were in Saskatchewan during the year?

**Hon. Mr. Hagel:** — For the which?

**Mr. Wakefield:** — For the shows that came to Saskatchewan and will be coming to Saskatchewan. The music . . .

**Hon. Mr. Hagel:** — The music events?

**Mr. Wakefield:** — Events. Sorry, that's a better word.

**Hon. Mr. Hagel:** — Yes. The budget for those events will do the promotion of the events themselves. We may do some advertising, say, in a publications that they may have — programs, that sort of thing — related to the Saskatchewan music industry specifically. But there will not be, from this budget, money for the promotion of those events. That'll come from their own budgets.

**Mr. Wakefield:** — Okay. Thank you. That clears that up for

me. Thank you.

I'd like to ask a question about the culture portion of this vote 27. And I guess you've talked a little bit about the Saskatchewan Arts Board with an increase of about, I think, about three-quarters of a million dollars. And you've covered that in your opening statement and referred to it recently.

When it comes to the film employment tax credit, there's actually been a decrease of about three-quarters of a million. And why would that be? Was not the tax credit working for you, you felt? Or why the decrease?

**Hon. Mr. Hagel:** — The answer to that actually would be found in the previous item I was to this committee with, which was a piece of legislation — and we discussed it at the time; Mr. Elhard raised it — having to do with the allocation of funds for out-of-province . . . the limit on allocation of funds for out-of-province labour used, and then not deemed when it's outside of the cities of Regina and Saskatoon. So we put a cap on that, and we have projected that the draw therefore from the film tax credit is going to have this year a reduced demand. So what we're budgeting for is what we think the demand on the province will be.

The rules exist and they're there, available for the film industry to use, and they know that and understand that. And we're simply forecasting based on a knowledge of the industry that the demand on it will be down slightly this year. I expect it'll be actually higher again next year.

**Mr. Wakefield:** — Overall, Mr. Minister, the tax credit I think from our earlier discussions — and you might agree — is a positive way to . . .

**Hon. Mr. Hagel:** — Absolutely. Yes.

**Mr. Wakefield:** — Attract both interest and dollars.

**Hon. Mr. Hagel:** — Yes absolutely. And this is not seen as a negative in the industry. It's just that when the applications are applied in the context of the rules that they exist, we think it's not going to require as much money this year to respond to it as it did in the forecast from last year's budget.

Maybe I can just add that — again I'm kind of repeating the discussion we had, so I'll be very brief — but that we are working on a training plan. One of the limitations we have right now is the capacity of skilled, trained people for the film industry who live in Saskatchewan. And so the reason that we're forecasting that this is going to rise is that we anticipate that the training plan, developed together with the industry, will have the consequent effect of increasing our capacity of locally located people for the film industry. And therefore that will accommodate a growth again in film activity and therefore the demand that we will see next year.

But this year, because of the changes that we made, we're anticipating that there will be a reduction in demand. Okay, I should add as well here that this is not just kind of guessing, that it's a reflection of what has already taken place in the industry. And the applications for tax credits generally occur 18 months to two years after the production is over. So when we're

looking at our projections for the expenses in this year, this fiscal year, we can be reasonably accurate because we're basing that on a track record of what has occurred, not guesswork about what's going to occur.

**Mr. Wakefield:** — Have you or your department considered the use of other tax credits for attracting interest or investment in any other aspect of your department?

**Hon. Mr. Hagel:** — Not at this stage, but we'll see. As I said earlier, Ms. Crofford is doing the review of the music industry. And in that review, she's talking not only to people in the industry, music industry who are currently in Saskatchewan, but to others from outside of the province as well. And I will look forward with bated breath to the report that she'll provide to me, that she'll provide this summer. And it's, at this stage, it's really difficult for me to forecast what that will be. But at this stage, it's not something that has been looked at in other elements of the sector we work with. But I certainly don't rule it out as a model which may in fact be used in the future.

**Mr. Wakefield:** — Well in my opinion, it's a model that appears to have done what it was intended to do. It attracted investment, attracted the industry's interest in what we want to achieve. And if there is a successful model, I'm not sure why you wouldn't consider it in other aspects of attracting both interest and investment.

**Hon. Mr. Hagel:** — Yes. Well and I have a high level of confidence in the good work that Ms. Crofford has been doing. And I've certainly been told— that's not just because I know her and like her; she's a nice person—but I've certainly received that comment from others in the industry. And what I'm expecting is a report that will be thoughtful and pragmatic. And our interest is not in simply increasing the public's awareness of music going on in Saskatchewan. It's to grow the industry. And so I'm looking forward to a report that will be very practical in the ways that we do that.

And also in the context of other provinces, as you will know in the film industry, tax credit is part of the tools that are used by a variety of provinces and with which we are very competitive and get the results that are attractive here.

**The Chair:** — Before we get too much further, Mr. Wakefield, it's now time for adjourning, and I'm sure you can hold your questions till next time we have all of you back again. It now being 5 o'clock, thanks to the minister and his officials and thanks for the questions. And we're now adjourned.

**Hon. Mr. Hagel:** — Thank you.

[The committee adjourned at 17:03.]