



STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND INFRASTRUCTURE

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**STANDING COMMITTEE ON INTERGOVERNMENTAL
AFFAIRS AND INFRASTRUCTURE
2005**

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Meadow Lake

Mr. Kim Trew
Regina Coronation Park

[The committee met at 17:45.]

**General Revenue Fund
Rural Development
Vote 43**

Subvote (RD01)

The Chair: — Good evening. I will now call to order the committee. I will recognize the minister, if the minister has any comments on the estimates for Rural Development.

Hon. Mr. Serby: — Just a short comment quickly, Mr. Speaker. I'm having some trouble just with my nose right now, and if you don't mind, I wouldn't mind if my deputy were to answer some of the questions here for us and I'll try and engage along the way here if I can. So I might ask her to introduce the folks that are here, and I'll pay attention.

The Chair: — Thank you, Mr. Minister. I'll ask your deputy to introduce the officials — herself and the officials.

Ms. Greenberg: — I'm Louise Greenberg, deputy minister of Rural Development. On the other side of the minister we have Mr. Alan Syhlonyk, director of policy and planning. Behind me we have John Keeler, director of investment programs, and to John's right is Ms. Debbie Harrison, director of program development and support.

The Chair: — Thank you. Mr. Brkich.

Mr. Brkich: — Mr. Chairman. I'm glad you're probably going to be answering most of them. I'll just ask direct questions and you give me direct answers and we should be out of here fairly quick maybe. I guess what I'd like to start with is on the budget itself. That's what I'm going to deal with because that's I guess what's up before the House. I would like to know exactly what has been given to you for this year, and if you have a breakdown of each, and how the money will be spent.

Ms. Greenberg: — I'll start. Our budget for this year is . . . Our estimated budget is six million point six two six; that's our estimated budget for '05-06. It's broken down into subvotes. The subvotes, the first one is central management and services, and the budget for that is \$826,000. Broken down in that budget is money for executive management which is 445,000. Executive management is budget that pays my office and the minister's office. Central services is \$213,000, and that's budget estimated to pay for admin services. Accommodation is 168,000, and that's budget that pays for accommodations both for our head office in Regina and our six regional offices. I'll continue?

Mr. Brkich: — Well I was going . . . Maybe if I can ask about the six regional offices, where will they be located?

Ms. Greenberg: — The six regional offices — Swift Current, Estevan, Moose Jaw, Yorkton, Prince Albert, North Battleford.

Mr. Brkich: — And their role generally will be . . .

Ms. Greenberg: — Their role? What they've been responsible

for is working with REDAs [regional economic development authority], working with community capacity, building community capacity in the regions. They're also responsible for co-op programs. We usually have three staff: a regional manager, a regional coordinator, and an administrator, someone who provides support services. Their budget though is not in the subvote that I just gave you.

Mr. Brkich: — Okay. Going on maybe we can . . . And there will be three people employed in each office, of that six, that are going to be spread out. Are they going to be renting offices or building offices or going in existing REDAs?

Ms. Greenberg: — They are in the same location as they were in '04-05. And in all those locations what they do is that they're co-located, usually with the REDA from that area and sometimes it's the chamber of commerce. It could be the CDCs [community development corporation]. So they're co-located as a group. They try to create a business centre, and the leases, all the leases, have been renewed. We don't have any plans to move any offices, that I know, in the foreseeable future. So nothing has changed to where they've been from before.

Mr. Brkich: — You want to carry on with the budget then?

Ms. Greenberg: — Okay. So I'll go to the next, I'll go to the next subvote. The next subvote is investment programs. And the investment program, the budget is estimated at \$3.195 million. This is money that really pays grants for the REDAs and also covers off for the interest charges and loan losses for the small business loans associations, or what we call SBLAs. So there's no staff in this subvote.

Mr. Brkich: — The small, you said, dealt with interest on small-business loans or small-business loans itself?

Ms. Greenberg: — It deals with the interest. The money that's in here deals with the interest charges and loan losses in the small-business loans program.

Mr. Brkich: — Okay you can answer some more on the budget.

Ms. Greenberg: — The next subvote I believe is industry development, and that is at 1.420 million, and that really covers salaries of staff and pays for their supplies and other services. That includes staff that works in the six regional offices, the staff in our head office, and it also includes staff that work for the Small Business Loans Association who are located in Regina, what I call the head office.

Mr. Brkich: — And that's basically just staff — the 1.4 million?

Ms. Greenberg: — Yes. That's 21 staff.

Mr. Brkich: — Twenty-one staff. You don't have a breakdown, maybe not on you, but could you provide it? I know that we, on our side we call them globals of the department. Could you provide that with me in the future?

Ms. Greenberg: — I could provide that in the future. I know

there was information provided for globals that was requested, but we'll ensure that the Chair gets the global breakdown.

Mr. Brkich: — Thank you.

Ms. Greenberg: — One more.

Mr. Brkich: — Yes.

Ms. Greenberg: — The last one is a subvote (RD05), and that deals with co-operatives and that's 638,000. And what that includes — I may have made an impression that there's salary staff in here for co-op people — we sort of pay for some of our salary staff because we have, six of the staff in the regions provide co-op expertise assistance, and we also have a person who works on policy in Regina who looks after policy for co-ops. So the salaries are in that 638.

Plus we also provide some funding for co-op programs for start-up; \$10,000 if a co-op wants to start up, needs some feasibility work done.

We also provide funding for grants. We give a grant each year to the Centre for the Study of Co-ops at the U of S [University of Saskatchewan].

Mr. Brkich: — How much is that grant?

Ms. Greenberg: — 75,000.

Mr. Brkich: — 75,000. And that is to, just to study, every year to study the co-op movement or to study co-ops?

Ms. Greenberg: — What the grant provides, there's an agreement that includes, I believe, the federal government. It includes the federal government, includes the university, includes the province. It has a number of partners and these partners provide funding for the Centre for the Study of Co-operatives that's at the U of S. And what they do is that they do research and they also look . . . At the university, they have a number of research programs that go on for co-ops, so we provide funding to them.

Mr. Brkich: — Okay. Thank you. Say the other grants that you use towards co-ops and other work, it would be what, beef co-operatives? Can you give me a little more, or would there be background on that?

Ms. Greenberg: — For the co-ops, I'm just going to flip my page. We give, the money that we've given in the past includes, we have some grants and sponsorships. Or you're thinking more of when we provide funding to specific co-ops for their start-ups?

Mr. Brkich: — Yes.

Ms. Greenberg: — I will look for that. I'm just looking for some, just, you give me some . . . We have a program called co-operative development assistance program. And that was established in 1998 to support the development and expansion of the co-op sector in Saskatchewan. And under that, eligible co-ops can receive up to \$10,000. As of March 10, 2005, there was 28 co-ops that were . . . received assistance for the \$10,000.

I don't have a list here of the individual co-ops that have received that. I don't have that information with me.

Mr. Brkich: — Okay. Could you provide that with me, same time with the globals, later on to the committee?

Ms. Greenberg: — Yes. I could provide that to the committee Chair as part of the information.

Mr. Brkich: — Okay. Thank you. Dealing with . . .

Ms. Greenberg: — I forgot one thing that, in my haste of turning pages, I didn't . . . I left out one subvote. And that's subvote 02. And that, the budget for that for this year is \$547,000. And that's our rural issues office and this does policy work for rural issues. This is the funds that we use to pay for ACRE [Action Committee on the Rural Economy] and so that's \$547,000.

Mr. Brkich: — That was my next question. Do you have the cost, what it cost for the ACRE report this year?

Ms. Greenberg: — I don't have the cost yet for the printing costs for the new, for the ACRE phase 2 report. I do have costs this past year for our subcommittees, what they've costed.

For 2004-2005, there was four subcommittees. And the cost of just these four subcommittees was approximately \$42,309. So that would have included their costs for travel, for per diems, for printing their reports, for the meetings when they met to work on the reports, work on the consultations. So that was 42,000 for the four subcommittees this past year.

Mr. Brkich: — Okay. Thank you. I guess with this department, who's responsible for confidentiality issues within this department as that's coming more and more an issue, you know, coming . . . the source of some of the laws that have been coming down the pipes?

Ms. Greenberg: — We have, all our staff have taken training under The Privacy Act. I may be not using the right name for the Act. But for personal information and privacy, our staff have had to have training because we do handle databases with names for the . . . when we have our Saskatchewan business loan association and there's names, there's people. So we've taken training; all our staff have. And we do have a privacy officer that . . . All departments have to have a privacy officer. So we're actually, because we're a small department, we're using a privacy officer from the Department of Ag and Food to help us out.

Mr. Brkich: — Okay. Thank you. I guess that's enough kind of questions on the budget for now.

Coming up in this year, I know we've been approached for different things. One of them is for North Battleford, a dam there that they're thinking of putting in. And basically we're looking . . . I shouldn't say that they're thinking of putting in. There's been discussion of it, started in the '70s. Now there's a group out there. And I guess they're looking for a feasibility study, money, any kind of just money to see if this can fly.

And I mean you talk about out in rural Saskatchewan, I don't

think you're going to . . . In job creation and the spinoff from irrigation and everything else that goes with it, that could, you know, be quite a boost for that particular area if that can go ahead. Have you . . . department been approached for that, or are you even interested if you were approached at looking at something like that?

Ms. Greenberg: — I've been in discussion with the director of economic development for North Battleford, Joan Corneil. We've had some discussions. I haven't had any discussion with her for probably the last several months. But we've had discussions about it, and she's agreed to keep me informed, and the minister.

Because I know what they're doing is trying to get a number of people together and to get people from within the region because you need support from the region because it's going to be an expensive proposition. And also I know the issue of building a dam will take both — not just provincial funding, but it's going to take some federal dollars. You know, it will involve three different levels of government. So it is on the radar screen for Rural Development.

Mr. Brkich: — See that's what I was going to ask you about because it will take substantially federal support, even for it. So your department, I would take it, is kind of in favour of it. You know, moving forward at least into the study and to see what the feasibility is of it, and of willing to work with the federal end of it, talk to your federal counterparts to see if they're interested in funding, along in them lines — you've moving in that direction?

Ms. Greenberg: — Well as part of, you know, when you start the process you want to make sure that they have enough support for it within the area. There's also the importance of, when they're doing the feasibility study, what type of questions are they considering? How inclusive is the feasibility study?

The other issue will be, is who is going to do the feasibility study? The feasibility study itself is going to cost budget. And I don't know the cost. I haven't had any discussions with them on the cost. But I think it's an idea that should be discussed and should be pursued within the area. And also to get support from both the federal and provincial departments.

With dams, you always have people . . . Because a dam favours economic development, you also have people who will speak against dams, people who are worried about protection of environment, what lands are going to be flooded. So I think we'll have to take a balanced approach for whatever we do in looking at building a dam.

Mr. Brkich: — Definitely. Same thing. And I know that all of them have to be taken in account, but I think what they were looking for is support. You know if they find it in errors, that the government will help them in . . . or this office because I think that's what it's there for — to help them in any way they can with either information, some grant money, or whatever — help them, you know, work through the hoops with the environmental end of it.

Also talking about rural development — and it's a huge issue out where I am — is the grain sector. You know it's suffering,

which it has been for a number of years. The CAIS [Canadian agricultural income stabilization] program is about the only hope that, you know, that some of the farmers have, especially when you've gone through . . . In our area, last year was the only year . . . We had four years of drought. And then you take my area, east finally had rain but then the frost came. So I mean in five years we haven't had really what you'd call a good, solid crop. And at the CAIS end of it, you know, that funding has helped people get through. Is your department willing to support fully funding the CAIS?

Ms. Greenberg: — What we've done in our department, we're not concentrating on the farming side, on the true ag side. When we sort of separated our duties, we left the farming, the primary production, those kind of issues to the Department of Agriculture and Food.

Where we're concentrating our efforts of course is looking at working with producers or working with businesses, associations, co-ops, REDAs, community groups, at opportunities related to agriculture, related to . . . from producing widgets, any sort of manufacturing, processing, looking at any sort of opportunities, grassroots which would help improve the economic climate. But we haven't become involved on the CAIS file and that has remained with the minister responsible, Minister Wartman.

Mr. Brkich: — Talking about manufacturing, have you . . . is your department also looking at labour legislation that — or any kind of legislation out there — that would help or hinder rural Saskatchewan? Is that part of your job, to review, make recommendations on any particular piece of legislation that comes from this government?

Ms. Greenberg: — What we're doing, one of the . . . That's one of the roles of our policy branch or our policy and planning branch is to work across departments and what we call, I guess, a bit of using a rural lens. And when you use a lens . . . There's a lot of different lenses that have been used for different areas: rural, disability, Aboriginal, minority, women. And there's also a lens that's been developed for rural. And the federal government has been using a rural lens. The federal secretariat have developed one.

We've also developed a rural lens and we've been working with other departments. We have two committees, an interdepartmental working group at the director level and then we have an interdepartmental steering committee which I chair, which has been at the ADM level. This was a responsibility that came over from Agriculture and Food.

We work with other departments looking at the policy that they're developing, trying to engage in discussions when a department is going to make a change in an Act, a policy, a program, what kind of effect will this have in rural Saskatchewan, what will it have on different issues. We're trying to, I guess, do what you call — it's a buzzword — it's called horizontal management. And horizontal management is really when you take a slice horizontally across all departments and the focus is rural. We've been working with the other departments and it's been a learning process for everybody because what we're trying to do is not get policy makers to think in silos, think sort of vertically, but to think across.

So it's one of the functions that we have is to really work across and try to explain to other departments and work with them on the impact when they make certain changes, what impact they should consider that might have in areas that really are outside their true mandate.

Mr. Brkich: — I'll talk about, I guess, the available hours issue out in rural Saskatchewan. Did you do any consulting yourself on that or any study on that particular Bill, how it affected, especially like hotel owners, small hotel owners, small businesses, that kind of have . . . fluctuate with help; it depends on peak periods, low periods. I mean you have to lay people off and all of a sudden quickly bring in people.

Have you did . . . With that particular Bill, when it was brought out in the fall and through the winter, did you do any, a study impact on that particular, how that would affect the rural businesses in Saskatchewan?

Ms. Greenberg: — Our branch — or sorry, our department — didn't, and we formed April 1. So while our rural issues office was within the Department of Agriculture and Food prior to April 1, 2005, we didn't specifically look at that. But ACRE has been at work looking at the issue of labour-business relations. They looked at a number of different recommendations which are going to be coming out on Monday.

And one of the draft recommendations that they've done as part of their consultation is having a labour-business round table because they feel that there is work to be done trying to get the different parties together, to put aside some of their differences, and to start to talk about some of the big issues. And that's an issue that ACRE has in their draft report — and I believe will be part of their final recommendations — is to have this, which would help in some of the different discussions and dialogues that have been going on with both the business and labour side on differences of opinions.

Mr. Brkich: — Thank you, at that end. So looking about lease rights on oil and gas, on lessees. I know we'd met with some people and they had some concerns on the lease where they would like to negotiate with the companies. And these are people that actually, they just lease Crown land. And if I understand right, that the government negotiates on their behalf and they get a percentage of their lease gone.

But I guess what they're . . . at some places some leases are different. It affects their herds different. Just a way, if it's a pipeline or just a well going on, you can lose, like the guy said, half your pasture for summer. And you've basically got to go out and rent somewhere else for that particular summer. And I know they would like to be able to negotiate for compensation of loss of business I guess for that, if the company, if it is a little more obstructive to their business. Have you been looking at anything in that area?

Ms. Greenberg: — I know two things, and I'll have to put on my hat from when I was in the Department of Agriculture and Food. The discussion about lease rates has been raised. There's a committee called Crown land stakeholder forum that the lands branch and the Department of Agriculture and Food has and they meet about three times a year. And this is . . . director Greg Haase has been engaging in discussions on the issues of lease

rates.

There's a group in the Southwest, the lessees' stakeholder rights group, and I'm not saying the name of the committee — I'm not giving the group the right acronym for their name. They have brought this up and I know there has been discussions with this group, with the lands branch in Ag and Food. And I've been present at some of the Crown land stakeholder forums where this has been.

This has also been discussed by ACRE. And when ACRE did its consultations and went out and talked to the stock growers, this was an issue that the stock growers and the landowners lessees' rights group also raised. So it is on the radar screen for ACRE and it's also on the radar screen for the Department of Agriculture and Food.

Mr. Brkich: — Okay, and also just not with the oil companies, just I was going to I guess lessees in general, you know, is that going to be in the future? I think there's been some land entitlement brought against some Crown land that's being leased by ranchers right now. Do you have any more information on that? Or is your department also going to be dealing more on that, or is it going to stay more in Ag and Food?

Ms. Greenberg: — That's going to stay more in Ag and Food. One comment I could add to that. ACRE did talk, as part as their consultations, they did talk about that, and their draft recommendations they said that ACRE should . . . recommends that the government should ensure that sort of the rights that were given to First Nations under the treaty land framework agreement be respected.

But also there's the issue of respecting the lessees' rights. And within the treaty land framework agreement, it does provide a number of sections that deal with their respecting the rights of the lessees. And because in order for land to be sold to First Nations, it is a willing seller, willing buyer arrangement.

The other point to add is that treaty land entitlement, or TLE framework, runs across the . . . the Crown land issue is under the auspices of Ag and Food, but it's also part of the responsibility as First Nations and Métis Relations.

Mr. Brkich: — Your department, still I guess having a grasp, trying to grasp exactly what it's going to be doing and same as, you know, I've been asked by the press on a few occasions on that. So I guess that's what I'm trying to grasp is, this year coming up, what is your framework? What are your, let's say, your short-term goals for the next year?

Ms. Greenberg: — We have a number of short-term goals. There's a number of priority areas. There's a few areas that we want to focus on. We do policy — I've talked about that — try to work with policy across the departments. And the government put a rural strategy out several years ago and that's still our strategy. We've got, in that strategy there's three goals: competitive business environment, strong infrastructure, and also strong and healthy communities. And that's been a framework where our activities will be based on. But within that, there's a number of priority areas for us.

Knowing the tools we have, we have a number of tools to use linking what we have for small business, our SBLAs, our small business loans program. We have tools within our REDA portfolio. We also have tools within our co-op. So using these number of tools, we'd like to focus in some areas.

Youth is very important as one component. And within the youth area, it was announced last year under the SBLA program we have a program, an initiative called YOU, Youth Opportunities Unleashed. And this Youth Opportunities Unleashed is targeted for youth between 18 to 30 years of age. They are provided, through the SBLA they are provided loans up to \$15,000 per business.

But what's added to this YOU or YOU program is three things. We're providing some mentorship training, some governance training, and also business training. And the modules are being developed. There is also, under the REDA program for youth, we have a youth . . . REDAs get funding to employ youth, young people, or to train them in economic development. So youth is one of our focuses that we're going to concentrate on.

The other area that we want to concentrate on is working on infrastructure to try to work with the various departments and also trying to improve access to infrastructure. So that will be an area.

The other area of focus for us that we're going to do is training. Training is an important component and we'll be spending time. And training will be one thing we'll be able to offer through the REDA program and also, of course, the mentorship through the Youth Opportunities Unleashed. So training is important. And we're going to devote both our policy side and our program side, training opportunities. We also have . . . Included in the training but is also looking at the business side is Aboriginals and the Aboriginal component is also important.

The other important component for us is also working through both our regional staff and our policy branch on a competitive business environment. And there's been a number of people that are making submissions. There's the business review that's underway now and we've heard a number of dialogues throughout. We've done our consultations with ACRE on some changes and ACRE is going to come out with some recommendations that they'd like to see addressed on tax.

What we want to do in our department too is raise a profile of rural, spend more time at grassroots and that rural people have to be . . . some of their issues and needs need to be addressed. And so our focus is going to be concentrating in that and trying to provide as much help and assistance as we can.

Finally, the other area that I want to add that we're working on is, call it strategic alliances. And we've tried to work in a number of areas of the province. And there is one in the Southwest as an example, southwest alliance. We get a number of REDAs working together. And then instead of REDAs trying to, where there's a little bit of competition between them, they try to work together and start to see how they can attract one project or one company or try to do a number of things to profile that area instead of the REDAs working on their own.

In the Southeast, there's . . . out of . . . in the Yorkton and

surrounding areas, they're also looking at alliances. In North Battleford area, there's at least three REDAs. They are also forming alliances. So we are going to . . . We'll be working with these REDA and alliances because there's much more synergy, there's a lot more things that can happen when you have an alliance. And you can build more on that than trying to work on your own.

Mr. Brkich: — You talked about the co-ops more than once there. Is that something that you're going to be pushing more, is towards running more . . . trying to push more co-operative businesses out there? Is that what you're going to be focused on more, or are you going to be focusing more on, just on individual businesses?

Ms. Greenberg: — All sorts of businesses. Co-ops is a model. Co-ops is really a business model. And it's an opportunity for people to consider when they're trying to figure, you know, how you can do a business arrangement. And I think sometimes some people may forget about looking at a co-op model as maybe an opportunity to get a business going or to start an enterprise.

And so we're going to make sure . . . Co-ops have been discussed by staff in the past, but I wanted to use it as one — maybe we haven't talked about it enough — but I wanted to use it as one of the models that does exist out there and has been used, from daycares to equipment to . . . I mean CONEXUS, the credit union system, was built on co-ops.

Mr. Brkich: — One more thing I want to mention, and I'll turn it over to the member there. Cell tower coverage is very poor out in my way and business . . . And I just had a call now from the Strongfield area. If they use this — if they can get it — right around the town of Outlook, you phone into Outlook, two miles out it's long-distance back into Outlook. And that's even if you can get it. Strongfield, there's a tower that's shutdown right now. And the only tower there works on just lake level. Hardly any coverage out there at all.

And I just had a business from Strongfield phone and just say they got right now fertilizer trucks and grain trucks they're moving to Gardiner Dam. And they can't, businesses can't get a hold of their trucks. Because a lot of times they'll come in, if you're dumping something, and all of a sudden there's another load to go somewhere else. So that's a huge issue out there. Is that something else you're going to be pushing? And I know you keep talking about different things . . . going to be talking . . . but what are you actually . . . Are you actually going to be addressing this or maybe even putting some money towards that?

Ms. Greenberg: — The cellphone coverage is an important component of infrastructure, and that's one area where we're going to be concentrating on. I know cellphone coverage is hard for a number of people. But cellphone coverage has improved. And this province, actually Saskatchewan has the most cellphone coverage across Canada. But the infrastructure part of cellphone coverage is where we're going to concentrate.

The Chair: — Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Minister, in our last . . . or

my last session of estimates with the Minister of Environment, we briefly touched on agroforestry. And I've given that some thought as to the potential of agroforestry in this province and as a diversification for our producers. But, you know, after thinking about it a bit more, it seems to me that there, you know, this may be an opportunity for another, smaller industry in our province. Is your department, are you looking at agroforestry as part of Rural Development at all?

Hon. Mr. Serby: — Mr. Chair, agroforestry would be very much a part of the agricultural development file, but it would also fall under our umbrella of an area of which we think there can be promotional work that can be done.

We have talked very closely with the department about what sorts of initiatives might be made available to do this kind of work and there is clearly interest here. Now moving down that path requires time frames. If you want to be a forestry farmer, there is a period of time that that will require.

And so there are two things here. One is in the transition envelope that's in the agricultural file. There should be some resources that are dedicated to help or assist farmers with transition, both technical resources and, in my view, financial. So like we talk about doing aquaculture, agroforestry — these are all, I think, the kinds of initiatives that we need to be focusing our attention around to build a stronger value-added industry for producers.

Mr. Hart: — Minister, you know, looking at the federal government's implementation plan to deal with the Kyoto accord, there was mention, you know; ag carbon sinks and forestry carbon sinks are part of their plan. You know, it seems to me that perhaps the federal government might be involved or interested in getting involved in something like this. You know, through their, you know, both through Agriculture and Environment. We're always looking for some additional enterprises that farmers can get involved in.

I mean, if there's an environmental aspect to it, it seems to me in this, in today's political environment and policies of government, it just seems that it may be a bit of a natural fit. As a matter of fact APAS [Agricultural Producers Association of Saskatchewan], this late winter and early spring, sponsored a series of meetings on alternate use of land. And it just seems to me that that may be a fit.

Have you talked to the federal government at all on agroforestry and to see if they're perhaps interested in getting involved in a project like this?

Hon. Mr. Serby: — Under the . . . And this is a very good question. In the APF [agricultural policy framework] envelope in Agriculture is that whole environmental sector or section. That environmental section is intended of course. And I think as we move forward in that debate will be what is actually the value of the carbon credits that we have in Saskatchewan — and it'll be also evaluated for Canada — but what is the Saskatchewan value of the carbon credit? The debate of course is what is the value of each credit, to whom will that credit be applied, and at what level will this revenue flow back to producers, is the questions that are being debated today.

And when you go to look at the whole carbon credit piece, it's tied to agroforestry. It's tied to good soil management. It's tied to the whole issue of forage. So where you start to see a diversification of agriculture to a different level of environmental stewardship, then I think you'll see the application or you'll see the credit, the agricultural environmental credit making its way back to producers.

The argument that we've made — and we've made it now a couple of times — but we've made it through the environmental ministry to the federal government in the Kyoto responses that we've had over the last couple of years, and we've teamed up in those discussions with, for example, the Saskatchewan Soil Conservation folks who are actually on a pilot project today. They have a pilot project, as you are probably aware, to test how in fact they would get value to their agricultural lands based on the application of this standard within that environmental file.

What has not been settled yet today is who owns the credit. And so our application and our appeal to the federal government is that the carbon credit should actually be owned by the producer. The credit for the carbon should go to the producer, and industry should have to negotiate with the producers to buy the carbon credit.

Today it's in reverse where the federal government owns the carbon credit; they're making the carbon credit available to the industry, and then having to negotiate with producers about what the value of that credit is. I think it's in reverse, to be perfectly honest with you. And our effort has been to try to undo that, to shift it, and to get a larger value for the credit and make it available to the producer because really that's the person who's providing the environmental stewardship.

Mr. Hart: — Minister, I understand the whole carbon credit thing, and I mean that there's a lot of things that need to be decided in that area. I was just wondering, you know, besides the carbon credit thing, it just seems to me that there may be a potential for . . . to develop an industry or at least an enterprise for some of our farmers in parts of our province where trees grow fairly rapidly. It seems to me . . . Have you been in any discussions at all with the federal government on that aspect, you know, and also tying in the environmental aspects of it?

Hon. Mr. Serby: — We have the ag forestry woodlot. It's a section that we have, or committee, or not committee, association that do work exactly on the area that you talked about here today. We have the forestry centre in Prince Albert whose responsibilities are to actually drive this piece as well. And I'm provided here with some information that says, and I'll just read it:

Jointly it provides over \$14 million of funding over five years with the federal government to establish the forest centre of excellence in Prince Albert.

So that forestry centre of course would be helpful in developing the kind of industry and agriculture . . . or ag value wood products for within the province. So those mechanisms are already in place today for us to be able to that, and there's active work being done by the Saskatchewan wood forest association.

Ms. Draude: — I'd like to thank the minister and his officials.

The Chair: — Thank you, Minister. Seeing no further questions, that will conclude the first portion of our agenda today. We will take a bit of a break while the minister and his officials leave. And the next item of business will be the consideration of estimates for First Nations and Métis Relations. And we'll wait for those officials to take their place.

Hon. Mr. Serby: — I want to thank again, Mr. Chair, just thank the committee for allowing me to be away from the discussions for a short period of time. Appreciate that. Plus we brought for you, Mr. Chair, the request that was made of us of all of the Small Business Loans Association programs in the province. If we could leave this with you because there were members that were asking about this the last time we were here.

The Chair: — Thank you. We'll see to it that the material is distributed to all of the members of the committee. Thank you.

**General Revenue Fund
First Nations and Métis Relations
Vote 25**

Subvote (FN01)

The Chair: — Okay. I think everybody's in place now, so I'll reconvene the Committee on Intergovernmental Affairs and Infrastructure. The item of business before the committee here today is the consideration of estimates for First Nations and Métis Relations. I recognize the minister and ask the minister to introduce his officials.

Hon. Mr. Sonntag: — Thank you very much, Mr. Chair, and committee members. With me today to my right is Nora Sanders, the deputy minister of the department. And to my left is Donavon Young, the assistant deputy minister of First Nations and Métis Relations. And seated behind me — I'm not sure exactly in what order — but John Reid, executive director of policy and operations; Alethea Foster, director of communications; Robert Spelliscy, he's director of gaming, trusts, and grants. Susan Shalapata Carani is the acting executive director of lands and resources. And Jennifer Brass is the executive assistant and senior policy adviser to the deputy minister.

The Chair: — Thank you, Minister. I'd just like to draw the committee's attention to the fact that we have a substitution, Mr. Bjornerud for Mr. Sonntag.

Mr. Minister, if you have an opening statement, we'd entertain that now.

Hon. Mr. Sonntag: — Thank you very much. I'll try and be as quick as I can, but I do want to cover as many of the operations of the new department as possible. The government is first of all of course committed to issues that affect First Nations and Métis people in Saskatchewan. And that commitment is exemplified in the creation of the new stand-alone Department of First Nations and Métis Relations.

The department has a new mandate. A key element of that mandate is to work with First Nations and Métis people and

other orders of government to advance common interests and improve social and economic outcomes. Another element is providing leadership within government to other departments and agencies to ensure that First Nations and Métis priorities and issues are reflected in the development and the coordination and implementation of government policies and programs.

To accomplish these goals, the Department of First Nations and Métis Relations is helping to build bridges of respect and understanding between Aboriginal and non-Aboriginal people and in their communities. The department is also helping to create a society where First Nations and Métis people are a major force in economic development of the province and where Aboriginal youth, particularly, face a bright future.

This government recognizes the important historical, cultural, and economic contributions that First Nations and Métis people have made to Saskatchewan and to the country as a whole. We recognize the need for public education to create better understanding, to correct misconceptions, and to create better cultural awareness between Aboriginal and non-Aboriginal communities. The Department of First Nations and Métis Relations is working closely with the Office of the Treaty Commissioner in the area of public education.

And this year, 2005, has been proclaimed the Year of First Nations and Métis Women by Premier Calvert. The proclamation, I should say, is one vehicle through which we can recognize the historical and contemporary contributions as well as the strengths and struggles of First Nations and Métis women. First Nations and Métis Relations is working in partnership with other departments and women's organizations to identify and to facilitate events and activities to mark this important year.

Many successful business partnerships already exist among governments and Aboriginal and non-Aboriginal people, organizations, and businesses. As an example, the Clarence Campeau Development Fund and the First Nations gaming agreement are examples.

First Nations and Métis Relations already funds urban Aboriginal management agreements in Regina, Saskatoon, Yorkton, and Prince Albert, and this year will be funding a new agreement in North Battleford. These organizations work co-operatively with local municipalities to provide services and programs including labour force development, child and family services, and youth sports to First Nations people.

First Nations and Métis Relations is also working to create ongoing employment opportunities for First Nations and Métis people. One way we do that is through the Aboriginal employment development program. This program engages with various partners to remove workplace barriers for First Nations and Métis people and to share information about training and job opportunities.

More than 1,900 Aboriginal people have found jobs through the work of AEDP [Aboriginal employment development program] and its partners. These partnership agreements have been signed with large public and private sector employers, organized labour, government departments, Aboriginal organizations, post-secondary institutions, and community-based

organizations. Young Aboriginal people are one of the province's greatest resources and projections show they are the fastest growing segment of our provincial population. This program is helping to make Saskatchewan ready for Aboriginal youth.

Self-government remains a priority for the Government of Saskatchewan. The Department of First Nations and Métis Relations, along with the federal government, continues to negotiate with the Meadow Lake Tribal Council and is holding discussions with the Federation of Saskatchewan Indian Nations in this area.

First Nations and Métis Relations works to ensure that the province continues to fulfill its obligations with respect to treaty land entitlements. Under the TLE [treaty land entitlement] framework, 29 First Nations are entitled to \$539 million over 12 years from the governments of Saskatchewan and Canada to purchase up to 2.1 million acres to add to their reserves. So far 21 of the 29 First Nations have achieved their shortfall entitlement acres, and negotiations for new TLE agreements are currently under way and are progressing well with Sturgeon Lake, Muskoday, and Gordon First Nations.

First Nations and Métis Relations continues to work with Métis people, MNS [Métis Nation of Saskatchewan] affiliates, and other Métis organizations across the province to ensure their aspirations are met and services are continued to be provided. Progress has been made on all fronts, but we still have a lot to do and we intend to do that.

In conclusion our government believes this province has a bright future. It is a future that is inextricably intertwined with the future of the province's First Nations and Métis people. This province cannot succeed if First Nations and Métis people do not also succeed. The Department of First Nations and Métis Relations is committed to ensuring that Aboriginal people are given the opportunity to participate in the province's social, economic, and employment structures. And we are helping to build the road that will lead to prosperity for everyone in Saskatchewan.

Thank you very much, Mr. Speaker, or Mr. Chair. I know those remarks were maybe a little lengthy, but I wanted to cover all of the areas of the new department. So we'd be happy to answer questions.

The Acting Chair (Mr. Trew): — Thank you, Minister. Thank you, Minister. I think it's fair to say that the committee appreciates your comments and their appropriate length.

Questions? Ms. Draude.

Ms. Draude: — Thank you very much. Thank you to the minister for your opening remarks and to your officials for coming this evening. I imagine some of you have missed supper but, or maybe not.

So I'm going to start by asking the minister . . . For a number of years, we've had a set of global questions that we like to have answered and this has been our first opportunity to meet with your department. So I'm hoping that these globals can be given to me as quickly as possible. We may not have a chance to

discuss them at this time but if we can have them, that would be great.

I appreciated your opening remarks. Some of the statements that you made about the stand-alone department is important to all people — First Nations and non-First Nations, non-Aboriginal people. And I agree with you. There are the common interests. The proclamation of the Year of First Nations and Métis Women is something that we applaud — not only do we applaud, we initiated it. And I'm pleased that it's something that your department has worked on.

I'm going to start by asking, I think the most obvious question when it comes to the budget is, there is actually less money being spent this year than last year — or budgeted to be spent — and yet there's an increase in staff from 26 to 36. Can you tell me, first of all, where this increase in staff . . . what these staff members will be doing?

Hon. Mr. Sonntag: — I'm just going to answer the first part of the question and then the deputy minister will get into some of the detail.

First of all, just with respect to your global questions, we have them and we anticipate having responses in the next few days for you. So you should have that in a couple of days. And Nora, go ahead.

Ms. Sanders: — It's a . . . Mr. Chair, it's a great question. The decrease is because of estimates, projections of what is going to happen with the gaming money next year. That's the bulk of it. That's about a \$4 million or that's . . . I'm sorry, that's about a \$7 million decrease. And that is simply based on the estimates. If there's more revenue through the gaming, well then there'll be more money flow out because that's a flow through our department.

So on paper, it's a different figure based on somebody's best estimate. And we got information both from SIGA [Saskatchewan Indian Gaming Authority] and from the SLGA [Saskatchewan Liquor and Gaming Authority] to project that.

And the other major decrease is in our treaty land entitlement area. There's a \$500,000 cut. And that's on the basis that an expectation, there'll be less expenditure to do with the tax loss compensation because as these settlements move along, there's less expected to be spent out that way. And again if there should be, if it should get to a stage where there was a requirement to allocate more, then we'd simply . . . that's an obligation we'd have as a government. We'd have to find that. But that's the best estimate. It won't affect anything in the way of service or anything like that.

As to the staff in the department, those are the things related to setting up the headquarters of a department. And there were a couple that came, a couple of person-years that came from the other department, or actually about three for communications, those responsibilities. We have a new position, newly staffed and newly allocated to our department, for management of the gaming process. And we're quite optimistic that that will enable us have stronger relations with those that we're dealing with and a greater accountability on the funding. And we also have the other positions related — my position, my office, corporate

services — so that we can, you know, develop and manage the budget and those kinds of things.

So those are really the things — and also I think a staff in the minister's office — so those are the things related to creation of the new department. And in fact mostly they were approved in the last year, but this is the first budget year that they show because it was mid-year that the department was set up so . . .

Hon. Mr. Sonntag: — Sorry. I just want to add a supplement. I think the only part that wasn't included in the answer is that the actual budget for operations, actual day-to-day operations, is actually increased.

Ms. Draude: — Thank you, Mr. Minister. I notice that the actual central management and services went from 364,000 to \$1.375 million, so that would basically be the staff then?

Ms. Sanders: — Yes, it's primarily staff, and there's a little bit of extra money for our urban programming. There's a little bit extra going into the communities that already had urban Aboriginal programming — Regina, Saskatoon, Yorkton, and Prince Albert, and there's an additional program being added in North Battleford — so that they'll each be receiving \$30,000. It's not a huge amount but we think it's money that goes a long way by working in partnership with those communities.

Hon. Mr. Sonntag: — I'm very reluctant to do this one more time, but one last point that should be made with respect to the budget is, if you'll remember, the new department was created or came into existence I think it was October 1, 2004. So to make absolute comparisons it can be done fairly closely. But the numbers that are brought forward are not on a full year basis from 2004 to 2005 so it's a bit challenging to have exact comparisons. So everything we've said is accurate but it's still . . . we will not have an exact comparison till next year.

Ms. Draude: — Thank you, Mr. Minister. I know that when you . . . in your opening remarks you talked about the fact that your department actually works within all the other departments, and of course it would have to because Aboriginal issues doesn't just stand in one department. But I would think then that in order to get the information and the input from First Nations and Métis perspective into and from the other departments, there must be some liaison between the different departments. Is there a staff member in each department that discusses issues with your department or is it the other way around?

Ms. Sanders: — There isn't a staff member in each department but it's the overall perspective. In a way, part of becoming a new department is I think each staff member in our department which . . . Many of them were already there as part of a previous department but it's a matter of reforming the way we see our work. And we see our work as not just that we are trying to do something and we're trying to have a connection with the Aboriginal community, but we see it very much that we're trying to work with each department.

It's a lot of what I do but it's also a lot of what the assistant deputy minister does and with really all of our staff. Many, many of the issues we're working on are the issues of another department. And we aren't necessarily front and centre in doing

that work. We may be front and centre for a part of it or in getting meetings set up. I mean my ultimate goal is that the other departments will be front and centre in having their own strong relationships with First Nations and Métis. And so that's kind of how it's going. There weren't a lot of new positions assigned for that or anything like that, but it's something that we all see as part of our work and on an ongoing basis.

Ms. Draude: — Thank you. I guess my concern is that the First Nations perspective is brought into all avenues of government, for example Bill 87 today that we discussed at great extent. How would we . . . how can we be sure that the perspective from First Nations and Métis people was brought forward for Bills? How can we be sure that the perspective from School^{PLUS}, for the agreement that was brought forward this morning on the justice reform, to have a group of 10 people — well I guess there's 36 people now, from 26 to 36 — in your department as looking at everything that every other department is doing?

So it's an awesome challenge, but at the same time if we're going to grow the economy and have everyone involved, I would . . . I'm having a difficult time understanding how this can be done.

Hon. Mr. Sonntag: — Well it's a very good question and you've contextualized it very well as well. It is a huge challenge. Let me just say, from this perspective as Minister of First Nations and Métis Relations, every single item that comes before cabinet, as an example for decision, I try and ensure — and I'm not saying this shouldn't have happened before but I think it's fair to say when you don't have the focus that now exists, it didn't probably always happen — we ask questions like, have First Nations and Métis people been consulted on this? What impact will it have on First Nations and Métis people? Does it have impact? And then obviously, have those communities been talked to? What's their views on it?

So if I can put it this way, I should say on almost every issue that we think would affect First Nations and Métis people in any way, we put on those glasses to ensure that the decision isn't made arbitrarily without some impact.

I mean it's fair to say as you've described it, it's a huge, huge challenge. And I think we've got a ways to go yet. But there are I think improvements, significant improvements actually being made. You're not seeing immediate effects right away maybe, but all the departments are slowly becoming aware now if they're going to put forward a decision or recommendation for a decision change, then they should be vetting at least some of the views through First Nations and Métis Relations, through the department, and that's starting to happen.

Ms. Draude: — Mr. Minister, today we discussed to great extent Bill No. 87. So can you tell me if from your perspective the Labour Relations Board would be able to go on to a business on a First Nations reserve and look at any documents that would be involved in that business?

Hon. Mr. Sonntag: — I think that that would be a question for the Department of Labour or for the Labour Relations Board. I can't specifically answer that question from here. When I'm saying whether we had input or not, it would be in the development of the policy and possibly the legislation.

Ms. Draude: — But, Mr. Minister, that would be the kind of question that I would hope your department would have had some great concerns about and a lot of input on because it would . . . You know that we highlighted our concerns about businesses. But we also know that the concerns when it came to the things like the smoking legislation, there was the input that I had thought had happened when it came to the jurisdictional issue on-reserve for smoking jurisdiction. There seemed to have been a misunderstanding about whether that occurred or not.

I would think that the same thing might have occurred or might have been brought to the attention of your department on this issue that was highly controversial.

Hon. Mr. Sonntag: — Let me answer that from this perspective. I mean first of all, we acknowledge — as I did publicly — that just on the smoking issue, while we were of the view that consultation was adequate, I think clearly it was not adequate enough or it was not enough and we should have done better in that regard.

As it relates to this particular piece of legislation, we acknowledge the jurisdiction that exists on First Nations — whether it's smoking, whether it's the legislation that you're referring to, or whether it's future legislation — we acknowledge jurisdiction that exists on First Nations.

And I want to say this the right way. If the legislation allows for . . . provincial legislation allows for the processes that exist within the legislation to go on to First Nations, so be the case. But they may or they may not. And I'm not in a position to sit here and answer that question. But certainly in the development of this legislation or any legislation, we try to ensure that First Nations have been talked to about it.

Ms. Draude: — I guess at this time, your department doesn't have a clear answer. What the answer would be to that, it'll have to be brought up to Justice or one of the other departments. Thank you.

Ms. Sanders: — And I don't know if it's so much specifically on that Bill, but what I wanted to say is what we see ourselves is a little different model. In the federal government, the INAC [Indian and Northern Affairs Canada] department, they're supposed to be all things to Aboriginal people.

The way we're seeing it is, every department here needs to be properly consulting and working closely with Aboriginal people. And we have that role to work with them to decide or try to assess what's the proper consultation.

We do have some processes to try to do that as well in the human services area. Deputies meet on a regular basis. It's a coordination approach. We work also with the cabinet planning unit because they see every legislative proposal and every Bill and there's often discussion back and forth if there are things that are flagged.

So it's not so much on that particular Bill, but just to say that one of the things we don't want is that it would be seen that the only route into government for a First Nations or Métis would be through our department. In fact, we hope we can smooth the way when they come to us, but we also hope that other

departments will develop those relations as well.

Ms. Draude: — Thank you to the minister and to officials. I guess then we have a stand-alone department that is responsible for First Nations and Métis issues. But at the same time there still seems to be a decision about whether an issue will come to your department or whether it'll go to another department. So I had hoped that this particular Bill would have been discussed or there would have been a determination already how it would be affecting First Nations urban reserves. And if it hasn't, I guess it's probably a discussion that's going to have to happen down the road.

Hon. Mr. Sonntag: — Let me just say this. Part of the mandate of the new department is education which includes public education and education of government, if you will, in some ways as well. It's to ensure that departments put on the same, the set of glasses that I described that asks themselves whether or not First Nations or Métis people are affected by whatever decision that particular department is making. And it's exactly as my deputy minister just described.

So hopefully we're educating government broadly about the role and the impacts that provincial governments make, what impacts they might have on First Nations and Métis people, and how we need to maybe adjust in our decision making sometimes. So I mean I hope that kind of answers some of your question.

Ms. Draude: — I guess probably it doesn't because maybe there isn't an answer right now. Because somebody has to be responsible for a decision that's made by your government when it comes to all issues. And if it isn't your department when it comes to issues like this labour Bill, then it would be up to the Minister of Labour.

So I guess I'm not clear whether it's going to be your department or the specific department under whose mandate the Bill is, that will be responsible for each one of these issues.

Hon. Mr. Sonntag: — Well I think — if I understand your question right — I think that that's right. On this particular legislation, it will be the Department of Labour who is responsible for consultation if consultation is required. As the Minister of First Nations and Métis Relations, you can be sure that I will ask whether or not consultations or discussions have taken place. Sometimes depending on the context of the decision, officials will be involved in discussions between departments. And I mean we hope in every instance that is the case; although as we're sort of developing, I suspect it's not occurred on every circumstance.

Ms. Draude: — So have consultations taken place on this Bill?

Hon. Mr. Sonntag: — I actually can't answer that question specifically for the Department of Labour. I don't want to speculate because I'm not sure.

Ms. Draude: — Mr. Minister, your official indicated that there was a decrease — and I guess that's obvious — in the gaming agreements, and that again is something that your government has indicated or has noted is going to happen because of the smoking ban. There is about \$4 million or so that — a decrease

this year in the gaming agreements — that's going to go down through the different organizations that are basing their needs and their budgets on this money. So were the organizations that receive this money, were they notified beforehand to expect a decrease in the amount of money they would be receiving?

Ms. Sanders: — I don't know that they were notified ahead. My understanding is that there was information from SLGA that formed part of the basis of that estimate. The estimate's made — I think through the Finance department and it really is just an estimate — and the actual payments will depend on the actual revenue. So I think we're, as far as the First Nations casinos, we were reliant on their own estimates as a big part of where that figure came from.

Ms. Draude: — Thank you. I know through the gaming agreements this money, the 27 million money of this year, that's going to go to how many different organizations?

Mr. Young: — That will go to the First Nations Trust and it will go to four CDCs, community development corporations. The Métis Development Fund is counted separately at 2 million.

Ms. Draude: — So have you had any indication from those agencies of the concern or financial impact it's going to have on their organization?

Mr. Young: — Yes, we've met recently with a standing committee of the community development corporations. And they're actually not too concerned because one, it's an estimate; and two, they were contemplating it because actually within SIGA expenses are going up because two new casinos are coming on. So I mean revenues could be impacted because of smoking, but it's actually expenses are going up because of the two new casinos coming on and they have to undertake some expenses on their own.

Ms. Draude: — So the government has set aside, I believe it was \$75 million to lessen the impact of the smoking ban on the budget next year. Is any of the money that the government has set aside for that shortfall going to be going to the community development corporations?

Hon. Mr. Sonntag: — No.

Ms. Draude: — That's going to be all eaten up within the CDCs themselves. The shortfall in revenue that they will receive because of the smoking ban is not going to be lessened by the money that the government has set aside.

Hon. Mr. Sonntag: — That's right. Just let me correct a little bit. The anticipated reductions — there's no guarantee that there will be a reduction. But if there is a shortfall, it won't be made up out of the — I think that's what you're asking — will not be made up out of the 70 million.

Ms. Draude: — Mr. Minister, the revenues this year, we're into our fourth month so I guess the first quarter is over with. Have you got your reports back yet to indicate whether the monies from the first quarter are actually down to the amount that you had anticipated?

Hon. Mr. Sonntag: — Actually the first quarter isn't over till June 30.

Ms. Draude: — The smoking ban came into place in the beginning of January, right or am I wrong?

Hon. Mr. Sonntag: — That's right. But in terms of the first quarter of this year because we're looking at . . . We're talking about the budget. I understand where the confusion is but we're talking about the first quarter of the new fiscal year. And we're not there till June 30.

Ms. Draude: — So then the last quarter of the last fiscal year, was there an impact?

Hon. Mr. Sonntag: — Versus the previous quarter of the year before that?

Ms. Draude: — Yes.

Hon. Mr. Sonntag: — We can provide that information for you. We don't have that here. Okay.

Ms. Draude: — Mr. Minister, now that you have a separate department and your part of the mandate is to ensure that the relations between First Nations and Métis people maybe improve — I guess that's always hopeful — do you have . . . is part of your plans to meet on a regular basis either with bands or with tribal councils.

Hon. Mr. Sonntag: — Yes. We've been attempting to meet much more frequently. And you'll . . . I should say, you are, I'm presuming you are aware, there is the tier 1, tier 2 process as well that we, in discussions with the FSIN [Federation of Saskatchewan Indian Nations] particularly, want to ensure that that is very functional and works very smoothly.

I know the Premier has made a fairly public commitment, in addition to myself, to be visiting every First Nation in the province. And I think he's getting to close to halfway through already actually. But in addition to that, myself as minister and department officials particularly I know have been out and about meeting with First Nations and tribal councils. I think it's safe to say with much more frequency than occurred in the past.

Ms. Draude: — I'm going to switch to another area now. And that's the treaty land entitlement. I know that there's been 12-year agreements and that this year the amount of money that's anticipated to be spent to fulfill part of the agreement for this year is down a little bit as per a statement made by your official. How many years are left out of that original 12-year agreement?

Hon. Mr. Sonntag: — That agreement is completed.

Ms. Draude: — This is the last year then is it . . . or, like I . . .

Hon. Mr. Sonntag: — Yes the payments were completed in 2003. Like in terms of the process . . . Again if somebody wants to supplement my answer a little bit feel free. But in terms of the process, the process is not really over. The contributions from the federal and provincial governments financially are completed and fulfilled. But in terms of the treaty land

entitlement process, there's no necessary end date to that. Because if bands have not achieved their shortfall acres, they will be entitled to continue to purchase land with those dollars or in fact the portions that have been allocated to economic development, they can also buy land under the treaty land entitlement process with those dollars as well.

Ms. Draude: — How many shortfall acres are there left to fulfill?

Ms. Sanders: — I can give you that figure. As of March 31, 2005, approximately 633,000 acres had attained reserve status through the TLE process and of this amount 557 acres are in rural Saskatchewan, almost 75,000 are in northern Saskatchewan. And you were asking I guess how many are left to go? Sorry. And I think that number is at 522. So the amount left is 522,456 before the treaty obligation will be met. So that's the amount of additional land to be put in before the obligation is fully met.

Ms. Draude: — And that will be for 29 bands, correct?

Ms. Sanders: — Yes, 21 that have reached their shortfall out of the 29.

Ms. Draude: — How many bands are left to actually negotiate their agreements?

Ms. Sanders: — Twenty-one of the twenty-nine have completed and so I guess that leaves the others. And some them . . . They're at different stages. Some of them are already in process and others are at an earlier stage.

Ms. Draude: — Are there any of . . . I know that there are I believe 72 bands in the province. Am I correct? Out of that 72 are there only 29 that have any opportunity for TLE or for specific land claims?

Mr. Young: — There are 29 currently receiving . . . involved in the TLE process. As the minister indicated in his opening remarks, three TLE bands . . . three First Nations are currently in the process of negotiating a treaty land entitlement — Muskoday, Sturgeon, and Gordon's First Nation. So we know for sure three are coming on or have already come on. We're in the midst of those negotiations.

And it's really, it really . . . the next stage involves INAC, whether or not a claim will be validated. There will be others. We really don't know because that process of validating their claim is between Canada and the First Nation. So 29 now, 3 in the midst of negotiations, and likely a few more coming on in the next few years as those claims are validated by the federal government.

Ms. Draude: — I would imagine in your forward projections you must have some idea or indication of what bands may actually be looking at future entitlements or acquisitions. Can you give us an idea of which bands would have a possibility of again asking for a TLE?

Mr. Young: — We've been advised by the FSIN that their research is showing that another 10 to 15 — so in addition to the three I've talked about, Sturgeon, Muskoday, and Gordon

— another 10 to 15 TLE claims should be coming through the federal system in the next few years. And I can name some of those if you want me to.

Ms. Draude: — I'd appreciate it.

Mr. Young: — Sure. They are Sakimay, Pasqua, White Bear, Ocean Man, Pheasant Rump Nakota, Birch Narrows, Buffalo River, Makwa. And then in addition of course we have your Muskoday, Sturgeon, and Gordon First Nation which have a validated claim.

Ms. Draude: — Thank you. These are the TLEs. Are there any that'll have specific land claims that you are aware of?

Mr. Young: — That really doesn't involve us, so none that we're aware of. Again a specific claim is really between Canada and the First Nation. We're only involved if there's say a public utility or a third party interest directly affecting us; we're asked to comment on. So we're really not involved directly in that specific claims process.

Ms. Draude: — I guess I was aware that the province wouldn't have to contribute, but I thought there might be some discussion taking place on other bands that may be entitled to money at the federal level.

Mr. Young: — On specific claims, you're asking? I'm told by the TLE director that Fishing Lake was the last First Nation to have a specific claim here in Saskatchewan. And we're not aware of others.

Ms. Draude: — Mr. Minister, can you tell me if wildlife protection, wildlife protected land is available for TLE or a specific land claim?

Hon. Mr. Sonntag: — The answer is yes it is. It has to come through the legislature, but yes it is.

By the way, just a point of, one small point of clarification on one of your previous questions. There are actually 74 First Nations. There used to be 72 and now two more have been created, so there are actually 74.

But the answer to your question is yes they are; that wildlife habitat protected land is available.

Ms. Draude: — Okay. Can you . . . How many . . .

Hon. Mr. Sonntag: — . . . clarify, only under TLE.

Ms. Draude: — Okay.

Hon. Mr. Sonntag: — Yes. Only for the purpose of satisfying treaty land entitlement.

Ms. Draude: — Can you tell me how many acres for TLE were given from wildlife protected . . . from these lands?

Mr. Young: — She's amazing — 92,000 acres.

Ms. Draude: — She is amazing. Thank you.

Mr. Minister, I know that with the new technology there is, and I'm not sure exactly what the terms is, but I know that oil and gas companies can tell more specifically now which land may have claims or reserves under the land. And I'm wondering if the TLE land acquired in the last while has known gas or oil reserves.

Hon. Mr. Sonntag: — That's very difficult to answer. I mean, it's all over the province. I think more and more, you are seeing First Nations anticipating that there would be oil and gas development — or a prospect of oil and gas development — on their particular First Nation and they see it as an opportunity for economic development. And in fact, many of the selections are looking for exactly that kind of development. But to specifically answer your question, I think that's a bit difficult.

Ms. Draude: — I guess I'm aware that, you know, a lot of oil and gas companies are aware of where the reserves are and it would be maybe in their best interests or maybe in the best interests of some of the First Nations people to make sure that that's where the TLE land that they acquire is. So I'm just wondering if there's anything that your department is working on.

Hon. Mr. Sonntag: — Well I think, I think it's a fair observation. And I mean the First Nations are looking for economic development. So I mean obviously, that's the kind of land they're looking for. Nobody, I don't think anybody's in any way trying to hide that fact — although I'm not suggesting you were saying that either.

But as it relates to the department, the treaty land entitlement process is laid out very clearly; whether it's oil and gas third party interests that have to be satisfied, or whether it's trappers' third party interests that have to be satisfied, the process is exactly the same. So it's just, I think, the focus of some First Nations in selecting which lands they select has changed a little bit in the last few years.

Ms. Draude: — One of the concerns that's happening in some parts of the province is Crown land that's been originally held, or held for a number of years by ranchers, for example, and it may be land that First Nations are looking at to settle TLE. And I know it's a controversial issue, and I think you'd indicated, or remarked on it in your opening statements. Has your government made any decisions on how they're going to be treating land that has been grandfathered to ranchers and is now being requested to be given TLE status?

Hon. Mr. Sonntag: — The treaty land entitlement process through the framework agreement is laid out pretty clearly. All third party interests have to be satisfied. And I can't, sort of, quote the legalese here, but my understanding is that no — if you're talking about lease land right now — no lease can be extinguished for the purposes of satisfying treaty land entitlement. So as long as the leaseholder is interested in continuing to lease that particular piece of land and as long as that leaseholder has not been negligent or is delinquent in payments of the lease and he has an interest in maintaining it — he or she I should say — that lease will continue.

Ms. Draude: — Thank you, Mr. Minister. I'm going to switch gears again for a few minutes, and I want to talk about the

Métis election and the meetings that were held around the province. I understand that the meetings, the consultations are now complete around the province, and the report, I believe, is to be available in June. And I'm wondering if this report is going to be made public.

Hon. Mr. Sonntag: — The report will be public, and I'm anticipating receiving the draft report fairly soon now. I haven't received even the draft report yet, but I'm anticipating that to come fairly soon.

Ms. Draude: — Are you expecting that it'll be made public by June then?

Hon. Mr. Sonntag: — I guess we're still on schedule for that, yes.

Ms. Draude: — Is your department considering waiting for this report before the decision is made on whether there will be an independent registry or that type of thing?

Hon. Mr. Sonntag: — Yes, absolutely.

Ms. Draude: — So is there any process underway right now to be working on something like the registry or on the next election?

Hon. Mr. Sonntag: — Let me try this. I mean, there's been lots of discussions about what processes might be followed and some options, but nothing that's been very concrete in terms of sort of laying out exactly what might be done. I think it's fair to say we want this process to be as independent as possible, which it has been, and as unfettered from government as possible. Because I mean the Métis election process as it stands is really . . . is uncontrolled from a provincial government. The MNS will run their elections as they run their elections. And as I have said many times publicly, it is the government's role is only really the . . . our control is really around the finances to the MNS.

So there have been thoughts and discussions about a separate registry. We've through the Poitras report — you will remember — that was one of the recommendations that there should be an independent registry, that the senate commission, the elections commission, should be independent. We agreed with both of those as well. But to say that we've had discussions, we have absolutely had discussions, but we want to wait for the report to come down before any decisions are made.

Ms. Draude: — So your department isn't leaning one way or another at this time?

Hon. Mr. Sonntag: — I'd say not.

Ms. Draude: — Can you tell me . . . I know that your department withheld funding from the MNS last year. How much money was withheld?

Hon. Mr. Sonntag: — 410,000, which triggered holding of federal funds as well.

Ms. Draude: — So the money that was withheld from last year would be available if the MNS or a group of individuals would

have requested that the money be used to either set up a registry or for carrying out the next election.

Ms. Sanders: — The money from last year's budget at this point has been spent. Some of it went towards the Métis consultation process itself. Some of it went towards grants to various Métis groups for community projects of one kind or another. And some went to grants for projects that would benefit Aboriginal people without specifying Métis or First Nations, but there would be Métis included in that.

But for the coming year, of course we'd like to move towards restoring that funding but don't expect to be able to do that until there's a legitimately elected organization we can deal with. So it is anticipated that the money may go towards trying to get to that point and working from the basis of the recommendations from the consultation panel when we get them and whatever plan we can develop following that based on their recommendations. We hope to work with the federal government as well and to have that input from the Métis public so that we can move towards restoring proper process.

Ms. Draude: — The \$440,000 from last year has all been spent?

A Member: — 410.

Ms. Draude: — 410, pardon me. The \$410,000 from last year then has all been spent. Is that correct?

Ms. Sanders: — Yes. It's not open to us to carry it over into a future year so it was spent. And we did our best to ensure that it would be spent for the benefit of Métis, although it wasn't going to the MNS.

Ms. Draude: — Is there a breakdown on how the money was spent?

Ms. Sanders: — We can certainly provide that.

Ms. Draude: — Thank you very much. That would be helpful. So there was . . . Within this year's budget is this \$410,000 available for this year in case something happens quickly that they would have an opportunity to receive their funding through the MNS?

Ms. Sanders: — Yes. And we're anticipating it'll be used one way or another to support Métis, whether we're able to restore relations with the MNS that quickly or whether we use it towards processes that would help us get to the point of being able to restore those relations — processes perhaps directed towards supporting a new election with an independent oversight or something like that. We just don't want to get too far ahead of ourselves as to mechanisms until we have that report which will pull together a little bit more what the Métis public were saying and what the advice of the panel will be on how to go about those things.

But we very much anticipate allocating money towards first of all trying to resolve the issue. And then, you know, if at some point during the fiscal year there is a democratically elected organization, then we would want to of course restore those relations and our funding as we could for the partial year at that

stage.

Ms. Draude: — The money that the federal government didn't spend last year or didn't supply for the Métis people, was that money lost?

Ms. Sanders: — I think some of it was spent. They contributed as well to some of the processes here with the consultation panel and so on. And as to the balance of their money, I don't know whether it was lost or whether it was lost to Saskatchewan and allocated elsewhere or what. It's a federal budget matter and I'm not privy to it.

Ms. Draude: — Who would be aware of whether that money is available for the Métis people?

Ms. Sanders: — I think the federal minister responsible for . . . as the Métis interlocutor.

Ms. Draude: — It would be nice for the Métis people to know if that money was available to them; if once they have restored the MNS and imagine whoever becomes elected after the next, after the process is completed would probably like to know if there was that money available to them. So they probably would like to be able to get a hold of somebody and find out if that, if they could . . . If that money is going to be lost for a couple of years, it would be something that would be too bad for Métis people.

Hon. Mr. Sonntag: — Every indication that — I think it's fair to say — every indication that we've received is once there's a fair and democratic election process back in place and our money is back on the table, the federal matching funds would be at the rate that they've matched them in the past are going to be available again.

Ms. Draude: — Mr. Minister, the hunting and fishing rights and freedom for the Métis people was brought up in the federal court ruling a while ago. Can you tell me where the province stands on this issue?

Mr. Young: — You're referring to the Powley case, the Supreme . . .

Ms. Draude: — Correct.

Mr. Young: — Yes. You might recall that since 1996, the Government of Saskatchewan province has already recognized the constitutional right for Métis people to hunt and trap and fish for food in northern Saskatchewan. There was a higher court ruling called Morin and Daigneault. So the Powley case, to be honest with you, didn't have a significant impact here in Saskatchewan since we have recognized that constitutional right since 1996.

Now what Powley said is if there is a historic Métis community with contemporary, with a contemporary connection then that right could apply. But it's very site specific. It needs to be sort of proven, if you will, or validated. So it hasn't had a huge impact in Saskatchewan like it has say in Ontario, because in a way we've been ahead of the curve because of this Morin and Daigneault case in northern Saskatchewan in 1996.

Ms. Draude: — Is your government looking at any areas where there is proven site-specific cases that may be some incidents you're going to have to look at?

Mr. Young: — We've commissioned some research. The research hasn't quite come in yet, but it really is an intriguing question. Which are the historic Métis communities where a legitimate right exists? For instance, does it exist in Fort Qu'Appelle today? It's an interesting question. So we really need to undertake some research.

We've commissioned some of that research. It hasn't come in yet. We're doing it in conjunction with the federal government. And until that research comes in, until we know better which are the sort of, the historic Métis communities — and again I'm talking south of the northern administration line — it's really difficult to say which communities and which individuals in those communities might have that right.

Ms. Draude: — Can you tell me who was commissioned to do the work?

Mr. Young: — To say . . . Prairie . . . It's just not coming to me. I'm sorry. We'll get that to you. It's prairie research or public research in Alberta, in Edmonton, but it's just not coming to me.

Ms. Draude: — So this was a contract?

Mr. Young: — Yes. It wasn't contracted through this department, through First Nations and Métis Relations. It was actually contracted through Saskatchewan Environment and we helped to offset some of the costs.

Ms. Draude: — Was it a tender?

Mr. Young: — I don't believe so, but again we didn't commission the research from this department, it was commissioned through a different department. But again, you're looking, you're wanting to contract with an organization that has that kind of qualifications, that kind of expertise. There aren't that many sort of research firms in Canada with that kind of expertise. But I hesitate to answer because I don't know for sure.

Ms. Draude: — Thank you. I'll look forward to receiving the information from you then. I appreciate it.

The next area I'd like to go to is the urban reserves, and the land that's taken out of taxable assessment. School boards and cities are wondering what direction and guidance the province is giving when it comes to being able to fully fund especially education, when a sizable portion of the taxable assessment is taken out of their hands because of urban reserve agreements.

And I understand that there is an agreement made beforehand where there is compensation for some of the infrastructure. But it is a concern, and could you give me an idea of what guidance and direction the province is giving? In a minute.

Mr. Young: — If I understand your question, the tax loss compensation provision is open to rural municipalities and including school boards. There's not such a tax loss

compensation provision in urban reserves. So in other words First Nations are obligated to pay those taxes in the urban areas . . . [inaudible interjection] . . . Yes, the school board levies.

Ms. Draude: — So one of the issues that is huge, especially right now with the reassessment, is the actual assessment that goes on within . . . on a, you know, a yearly basis or every three or four years. Does SAMA [Saskatchewan Assessment Management Agency] do the assessment within an urban reserve?

Mr. Young: — Are you referring to like commercial buildings and . . .

Ms. Draude: — Yes. Any land or building that's within an urban reserve. Who will determine the taxable assessment?

Mr. Young: — That's our understanding but we're just not really that directly involved. Again we only become involved when a land selection is made where we're just not involved in the assessment of the land. But it's our understanding, the officials tell us, that SAMA would do that assessment.

Ms. Draude: — So then is this again a jurisdictional issue?

Mr. Young: — In what regard?

Ms. Draude: — Like being able to determine the assessment. Will First Nations determine . . .

Mr. Young: — No. No.

Ms. Draude: — Do they have the right to do their own assessment?

Mr. Young: — No. No. Oh no. No. First Nations, as far as I know, First Nations have never sort of claimed they have jurisdiction in that regard and provide an assessment of their land.

Ms. Draude: — And I'm not trying to be controversial about this. I'm just trying to understand who would decide . . . maybe today it's not an issue but 10 years down the road is there anything within the agreement that says who will be able to determine the assessment of a piece of property within an urban reserve?

Mr. Young: — No. There's nothing in the TLE framework agreement which would give First Nations any sort of authority or jurisdiction to assess those lands.

Ms. Draude: — But once the agreement is made then the land belongs to the First Nations and they could make that determination themselves, I would imagine.

Mr. Young: — Okay. I'm referring to the treaty land entitlement framework agreement, sort of the umbrella agreement giving rise to TLE reserve creation. There's nothing in that framework agreement which gives First Nations an opportunity or the authority of the jurisdiction to assess, for tax purposes, their lands.

Ms. Draude: — So once that agreement is signed . . .

Mr. Young: — Which agreement?

Ms. Draude: — The TLE. Once there's an urban reserve, once there is an urban reserve.

Mr. Young: — Once an urban reserve is created, okay.

Ms. Draude: — That's correct. How is the determination on the value of that land going to be determined? Is it going to be determined by a provincial assessment authority? Is it going to be determined by First Nations assessment authority or federally? Who is going make that determination?

Hon. Mr. Sonntag: — I think what we're really talking about here, as I understand the questioning, is service agreements which are . . . If it's an urban . . . If it's the creation of an urban reserve, that particular First Nation will continue to require the services of that particular urban jurisdiction. And in most cases, the service agreements are on a basis that would be equitable to the taxes that would have been charged on that particular piece of property. I think I've got that right.

Ms. Draude: — So are these agreements usually made then . . . They won't have any provincial input at all, so the determination would be made between the city and the First Nations.

Hon. Mr. Sonntag: — That's right.

Ms. Draude: — Okay. So then that agreement would be made on five-year contracts or whenever . . .

Hon. Mr. Sonntag: — That's correct.

Ms. Draude: — Okay. So then the school boards that would be working within the cities, jointly with the city to determine the service agreement . . .

Mr. Young: — I'm told that usually there's one agreement, but sometimes there's two agreements, one with the municipality and one with the school board. There are 31 urban reserves in Saskatchewan, so it's not completely consistent, and it can vary from location to location.

Ms. Draude: — Okay, thank you. The next area that I'd like to go to is the child and family services. And my concern or my questions are going to focus mostly on the fact that when we have families that are totally mobile and move from reserve to the city or vice versa and they are under provincial Department of Community Resources and Employment and then may go to the reserve, is there some kind of agreement between reserves and the provincial government to ensure that the services provided in both places are the same, and that there is the responsibility — especially for children — is carried out by one or another jurisdiction?

And I guess I'm referring basically to the Baby Andy case and what the department is doing as a result of that.

Ms. Sanders: — Maybe I can just comment. And this is a really good example of one where our department isn't the doer, but we do try to work closely with DCRE [Department of Community Resources and Employment] on this. And I think

it's one when you mention the Baby Andy case, where that case obviously provided a huge wake-up call for everyone concerned. And I think since that case, there have been improvements. But it's also an area where it's, I think, generally recognized that there need to be more improvements. And I know that currently there have been discussions with INAC because they have a piece of this as well and that there are discussions underway with First Nations. And as you know, sometimes these services are provided in partnership with First Nations agencies.

And the short answer is, it's not a perfect system at the moment, but there's very much a recognition of the need to have the kind of coordination you're talking about. It's one of the kind of things, one of the reasons why we have a coordination group of deputies dealing with human services issues. This is the kind of thing that concerns us. It's one of the very areas that our department sees a role of working with DCRE as the department with the line responsibilities to try and make the world a little bit better in this area.

Ms. Draude: — Thank you. And I guess that's my concern and one of my hopes when I heard that there was going to be a department that was a stand-alone department for First Nations and Métis families, that there would be somebody that would actually coordinate these type of services.

So I guess when I know that there are . . . On one hand there's departments working specifically with bands and then your department working with them. The overlap, you know, the responsibility has to stop somewhere. And sometimes it'll be stopping with DCRE, and sometimes it might be with your department. Is there any overall, overriding decision on who actually is responsible?

Ms. Sanders: — If I can just respond, I think in a program area like this, certainly DCRE is responsible. We see our role as being a helpful one, helpful both to DCRE and to the First Nations in trying to make sure that those connections and the coordination is provided, but — and I think DCRE would tell you the same — that they very much feel themselves to be responsible for the overall well-being of the children in this province.

And I think what we didn't want to do was fracture that off and have First Nations children sidelined to our department. They need to be . . . as far as there's a provincial role in oversight of children, it needs to be through DCRE. We want to work with them to make sure that where there can be improvements, we can assist in making those and making the better connections and so on.

Hon. Mr. Sonntag: — I want to . . . Sorry for interrupting. I'd just like to try and be helpful in this way. First of all, the role of the department I think will continue to evolve a little bit as we continue to find our feet, if you will.

But here's the way I've sort of described it internally, and maybe this isn't perfect. But I see the new department almost as a provincial constituency office, as you will, the same way as we as MLAs [Member of the Legislative Assembly] receive all kinds of issues from our constituents and we try to resolve them through the different departments.

First Nations and Métis communities and affiliates, Métis people across the province are using the department, if you will, to deal with issues that might be health related. But quite often, we are the organization that will move them into the Department of Health for assistance or to DCRE. We facilitate as much as possible.

There aren't very many times when we would be the organization or the department, I should say, that would make the final decision on something. But most often, we'll try to be as helpful as we can and move them to, help them with a department that is more appropriate to deal with their issue.

Ms. Draude: — Thank you, Mr. Minister. I guess my concern right from the very beginning was that there would be one person, like the responsibility has to be with somebody. And I guess I'm, what I'm hearing today is that it still is back to each department now — whether it's the labour issue with the Bill, whether it's Social Services, whether it's a health issue, maybe even under Learning.

Now with the student numbers that . . . I was very pleased to hear that we would actually be able to have students identified by going through band schools or back to non-reserve schools that goes back under Learning.

So as a coordinating department — we have 10 extra people working here — but we still have the responsibility back with the other departments. I'm just wanting . . . I'm failing to see how this is benefiting First Nations and Métis people if there is still nobody that . . . if your department still can't say that they are the ones that are responsible.

Hon. Mr. Sonntag: — Well it's a very good question. But you're right; the decision still goes back to the department. The role of our department is hopefully to facilitate finding that decision maker quicker. It's to bring the decision makers from the different departments together quicker to facilitate a resolution to the problem that particular individual or First Nation might have. It's about helping the individuals and being more responsive to the needs of First Nations and Métis people across the province.

Ms. Draude: — And because we're talking about people, it's impossible to have a baseline or to understand where, you know, where you're starting from. So how do you measure success when you're talking about people?

But my concern is that we do see a benefit to this. And it may be five years down the road or maybe it's tomorrow if we've helped somebody quicker, but it's still . . . we have to know why we're doing this. So I guess for me that's going to be what I'm watching for, to make sure that there is some kind of a benefit for people, not just to have one department send them off somewhere else.

I know the frustrations for people that come to my office. They'll phone and say, I'm trying to get a hold of somebody in Health, and I've been sent to seven different phone numbers, and I still don't have an answer. So we just don't need another level of bureaucracy. We need this to be helpful. So I'm hoping that by next year, there can be reports saying that we have made a difference in people's lives. That's what this is about. So . . .

Go ahead.

Hon. Mr. Sonntag: — Well I hope we can too. I mean I've said if we don't make a difference, if this new department doesn't make a difference in people's lives, then we will have failed. So I mean I am in complete agreement, complete agreement with the point that you make.

I mean, in terms of measuring it, it will be difficult to measure. The same way as a MLA . . . I don't know how you determine if you've finished your job or not.

Ms. Draude: — Some days.

Hon. Mr. Sonntag: — But it's really difficult to measure. But I mean I think we will have a sense of whether or not we've improved the circumstances for First Nations and Métis people.

Ms. Draude: — One of the issues that I brought forward directly to the minister — to you, Mr. Minister — was an organization in Prince Albert who was trying to get a Saskatchewan Protective Services Academy helping First Nations people into the workforce by offering training in firefighting and emergency medical services. It was an organization who had trained 24 First Nations individuals. And they had graduated 24, which was a wonderful opportunity, a wonderful success story.

And they were looking for an organization to help them. Because they were dealing with First Nations, I was hoping that it would be something that your department would look at and provide an opportunity for training for First Nations. I know that in recent discussions with them, there still hadn't been anything from your department back to them to help them understand or to give them any help. I'm wondering if you can tell me where they are right now on your work schedule.

Hon. Mr. Sonntag: — The only thing I can say is that the department has it right now and is doing an analysis of the material that you provided to me. And hopefully we'll have a response back really soon.

Ms. Draude: — I think that, I don't know if the minister knows, but there was a . . . in *The Melfort Journal* on May 3, there was an article talking about the Parkland building as the site of the new Saskatchewan Protective Services Academy, and they're actually going to be doing some work there. And they've got a number of First Nations band — Kinistin, English River, Piapot, and Yellow Quill — that are actually helping in this area. And this is the type of thing that I was hoping that your new department would be able to, if not help the feasibility study, maybe help with some of the human relations area. So have you contacted them lately?

Hon. Mr. Sonntag: — I have not, and I haven't seen the article that you're talking about either. But we will. Again I'll say that the department is looking at this proposal, and we'll be sure to be back to them as quickly as we can.

Ms. Draude: — Okay. Thank you, Mr. Minister. One of the issues that I know that you would be disappointed if I didn't talk to you about was the whole issue of drugs on reserves. And the issue . . . I'll say crystal meth, but it's not just crystal meth,

it's an issue of drugs on reserves amongst our First Nations. I know from talking to the FSIN and some of the chiefs and vice-chiefs that it is an issue not just on reserves but a number of First Nations people.

How has your department been involved in the strategy? What kind of pressure are you putting on the Premier and the secretary to the Premier for the addiction strategy? And how is your department working with this issue?

Hon. Mr. Sonntag: — You asked a couple of questions there. Let me just say this first of all. In the many meetings that I've had with different First Nations, the issue of crystal meth is for sure a growing and emerging issue for them although I think almost without exception they have concerns around substance abuse that . . . other substance abuse that is of higher priority to them and of greater concern to them.

In terms of involvement . . . and I'm trying to think of the two other questions you talked about. What mechanisms might have been put in place, I think you said. We are in discussions with the FSIN around possible, some possible resolutions. I mean, I think if there are resolutions, there will be many resolutions. It's not going to be one fix to the issue of substance abuse. And I think the last question was about what involvement did our department have at the officials' level. I'll leave that to the deputy minister.

Ms. Sanders: — And I can just comment that it is a matter where Health is leading of course. They've consulted our department and we've provided input. It's a topic that comes up very, very frequently in meetings with First Nations. Today I was at a briefing with SIIT [Saskatchewan Indian Institute of Technologies], and they provided a presentation about the work they're doing on crystal meth, which is impressive. And it's just a reminder of how seriously this problem is presenting itself.

And again as I mentioned, when we work with the other departments . . . This is a problem for everybody in Saskatchewan. But it is very much a problem in First Nations communities. And we've tried to make that loud and clear, and I think that that'll show in the strategy as it's developed.

Ms. Draude: — My concern is that the number . . . that we desperately need in this province a youth treatment centre. It's something that has been talked about by the Premier and by the Minister of Health, and there's been vague promises made. But there hasn't been a true commitment and the number of detox beds are needed.

I'm wondering if your department has worked with the FSIN or the Métis Nation or even the federal government to work to ensure that we will have the treatment centre for all substance abuse victims in the next while. It's a growing problem, not just amongst First Nations, but there is a growing problem and it's something that has to be addressed. I would think that this would be another area where your department would be taking a leadership to ensure that the departments knew we can't leave this any longer.

Hon. Mr. Sonntag: — Let me answer this way. The officials, as the deputy indicated, have been working fairly closely with the Department of Health because this really is a significant

health issue. And I think most appropriately should be led by the Department of Health.

We are in regular discussions with the FSIN on this and a host of issues. But I mean I have to say I'm hard pressed to remember a meeting that we've had where this issue hasn't come up as a point of discussion. And we've committed . . . I mean we're committed to continue to work with the FSIN or Métis communities — thank you — or Métis communities to deal with this issue. But it will be led by the Department of Health.

Ms. Draude: — Thank you, Mr. Minister. I understand that it would be but I do know that there has to be somebody that's pushing very hard. And your department, because it's responsible for the Aboriginal youth in the province and it is a growing concern, I'm hopeful that this is something that you'll be seeing. Even within our Justice system the incarceration rates of our First Nations people is high, it's way too high. And we don't have a drug treatment centre system within our jail system either. Is that something that you're looking at?

Hon. Mr. Sonntag: — Yes. Again I mean that would be something that would be . . . Corrections would be dealing with that. While we will facilitate working with the different departments — it sort of goes back to my last answer — this isn't something the department specifically is going to have the expertise in the department to deal with.

Ms. Draude: — There's one area I would like to just get a general answer from . . . on before I ask the member from Shellbrook to ask you a few questions. In the North Battleford area there's a proposal for a dam — I think it's the High Gate dam — and I know there's a number of First Nations that would be involved in that and that area and they would have some input. Has your department met with them or have you met with any of the officials that are looking at this proposal?

Hon. Mr. Sonntag: — Not yet. I have personally had the proposal brought to my attention a number of times over a number of years. At one time — in my role as minister of SaskWater — if and when there's a proposal that comes forward for decision by government, we would be involved at that time as the decision was being developed. But the department specifically has not been involved yet. No, this department has not been involved yet.

Ms. Draude: — Is there any further information that your officials have?

Mr. Young: — No, the minister's correct that we haven't been involved to date.

Ms. Draude: — Okay. Thank you, Mr. Minister.

The Chair: — Mr. Allchurch.

Mr. Allchurch: — Thank you, Mr. Chair. Mr. Minister, welcome to your colleagues tonight. I have a few questions and they're just spin-off questions from questions my colleague has asked.

I want to go back to the Métis hunting issue a little bit. And

according to what I understand from role of Métis in Canada, that certain provinces have dealt with certain court cases — speaking mostly about the one in Ontario and also Alberta. In those two provinces the Métis rights are province-wide, is that correct?

Mr. Young: — That's not my understanding. Again, if you're referring to the Powley decision which was a Supreme Court of Canada decision, it's very much site specific. So where the — if I could describe it this way — where the potential exists province-wide, as it does in Saskatchewan, the recognition and exercise of the right is certainly not province-wide but needs to be confirmed, validated site specific. So the exercise of the right is not province-wide.

Mr. Allchurch: — Okay well, Mr. Official, that's where maybe we disagree a little bit. I'm under the understanding, and I believe from a lot of the Métis powers to be, that it is province-wide in those provinces. And if it is province-wide in those provinces, why is Saskatchewan different?

Ms. Sanders: — I think the best way to say it is that we believe in Saskatchewan that the Powley court requirement is being met. As far as . . . No one's being charged if there's an assessment that that person is Métis and has a historical connection to the community where, in the area where they're hunting.

Alberta has its own policy and although we've reviewed it, we're not in the best position to comment on the detail of how that actually works on the ground.

Mr. Allchurch: — But now, Official, I believe the case in Alberta is province-wide; that's what it states. So Alberta was the second one in line after Ontario. Ontario is province-wide. Alberta is province-wide. Why is Saskatchewan going to specific areas? And I know the specific areas you're talking about. You're looking at say, for an example Fort Qu'Appelle or Duck Lake. Why those when the rest of the country of Canada is looking at province-wide?

Ms. Sanders: — My understanding is that most of Canada is trying to ensure first of all compliance with the court decision and the decision in Powley. And we think we are doing that. I think you're correct that Alberta has gone further and I'm less aware about Ontario. That's a policy decision, I mean it's always open to a government to make a different policy decision but I don't think that that's, from our understanding of the legal requirement, that that's beyond that.

And at this point what Saskatchewan's endeavouring to do is ensure that the legal requirement is met as it has been, as the minister said, for some years in the northern part of the province. The only difference with Powley was in making it clear that that similar principal would apply in the southern part of the province.

Hon. Mr. Sonntag: — I want to add just one piece here. These questions, are although I'm going to encourage that we try and answer as best we can, this is really Department of Justice and Department of Environment. If we can answer the questions we will, but this is a little out of our area here.

Mr. Allchurch: — Thank you, Mr. Minister. You know — and this what I think. And I relate to the question that my colleague asked about the Department of First Nations and Métis Relations as a department and myself as the critic for Northern Affairs. It is so frustrating to ask questions because it's somebody else's jurisdiction. And that's prevalent in Northern Affairs.

Again we have the same thing here. So I'm wondering what is the mandate in dealing with First Nations/Métis issues if it doesn't come through this department. I know there's a part tied to it, Mr. Minister, in regards to hunting and hunting is under the purview of SERM [Saskatchewan Environment and Resource Management] but this is dealing with Métis rights and freedoms and I really don't think that's a place for Environment. I believe it should asked and answered in this department's estimates.

Hon. Mr. Sonntag: — Well the role of the department specifically is to facilitate the improved quality of life and social and economic development for First Nations and Métis people in any way we can. And that's working with other departments and agencies of government to hopefully expediate the processes for First Nations and Métis people.

And in addition to that I think it's about some of the other things I talked about at the beginning. I see our role, as minister particularly, as that of public education to ensure that we can wherever possible facilitate the education of the cultural value of First Nations and Métis people and what they've contributed to our province and how we need to better understand things like treaties and other things. And that's the role. And in terms of sort of the final decision being made in our department, in most cases I'm saying it's not going to be made in this department. This'll be just like, as I said, a provincial constituency office where we hopefully resolve problems quicker for First Nations and Métis people.

Mr. Allchurch: — Okay. Thank you, Mr. Minister. Getting back to the Métis hunting — and this maybe is a spinoff question — does this department think that if two provinces to date are looking at the hunting rights for Métis as province-wide, is it not in the best interest for the province of Saskatchewan to follow the same route? Or does Saskatchewan think they have extra powers to have jurisdiction as to certain areas of the province, which that's what you're going down now.

Hon. Mr. Sonntag: — Well again, I'll answer the question because I have a little bit of background, but it's not . . . I don't really think it's in this department. But the policy that we've adopted essentially was — as I think the assistant deputy minister indicated — in the northern administration district before the Powley decision was made, that was for all intents and purposes the process. Right now the policy that the government, our government currently has is community specific. So you have to be attached to a community, prove your attachment to a Métis community if you live in the southern . . . south of the northern administration line. And that's the current policy.

Mr. Allchurch: — You're referring to that in regards to the court case that was held; I don't know if it's Meadow Lake or

Dore Lake or Green Lake, maybe Green Lake . . .

Hon. Mr. Sonntag: — Green Lake.

Mr. Allchurch: — Green Lake, yes, when the answer came out that they're looking at specific areas that have jurisdiction for Métis hunting. Is that what you're referring to?

Hon. Mr. Sonntag: — If I'm understanding your question, that's right.

Mr. Allchurch: — Okay. I want to switch a little more over now to TLE and specific land claims. Now from what your first comments was specific land claims are under the jurisdiction of the federal government whereas TLE is provincial government? So there is no specific land claims taking place throughout Saskatchewan to date.

Mr. Young: — You're right that treaty land entitlement is the responsibility of the provincial government working together with the federal government. Specific claims are a matter between the federal government and First Nations.

Mr. Allchurch: — The operations of both, are they different?

Mr. Young: — Yes, absolutely.

Mr. Allchurch: — They are.

Mr. Young: — Yes.

Mr. Allchurch: — In regards to taxes being collected on First Nations land that's been given through TLE, and the taxes are to be paid to an RM [rural municipality] or an urban council, an administration council, what is the process for the RM or urban council to collect those taxes if they haven't been paid?

Mr. Young: — Okay. We have to make a distinction between rural and urban because it is a bit different. And also, we have to understand that during the process of reserve creation, so once land has been purchased by a TLE band, it can take upwards of several years before that land attains reserve status. During that period of time, the taxes are still owing by the First Nation to the rural municipality, and so they need to pay those taxes.

Once the reserve attains reserve status, they no longer pay those property taxes. And that's why we have what's called tax-loss compensation. So then the rural municipality is compensated for those lost taxes.

Mr. Allchurch: — Okay. That's my question. What happens if those are not paid? What can the RM — in this case it's the RM — what jurisdiction does the RM have in order to collect those back taxes if they haven't been paid? Is it the responsibility of the provincial government or do they have to go through the federal government to make collection?

Mr. Young: — We offer facilitation and mediation services and we have done that in the past. So we urge the First Nation to be a good taxpayer during that interim period we're talking about and to pay the taxes. But it really is up to the rural municipality to collect those taxes.

As to what their hammer might be — that's your question if the taxes aren't paid? There you go, the lands won't attain reserve status until the taxes are paid. So the band, it could stretch out that period longer. But those taxes, before it attains reserve status, must be paid by the First Nation.

Mr. Allchurch: — So if the First Nations has gone to reserve status, the taxes up to that date . . .

Mr. Young: — The taxes will have been paid, yes.

Mr. Allchurch: — . . . will have been paid. The taxes in question are the taxes in lieu of, I guess you'd call it, for the 10-year period. I think what you were talking about, the tax compensation package, is that not taxes equivalent to 10 years?

Mr. Young: — It's 22.5 times the, 22.5 times the assessed value of the taxes.

Mr. Allchurch: — I think the roundabout figure that they use is roughly 10 years. If those taxes are not paid, what is the process for an RM to get those taxes? Because it's now turned reserve status, and according to the First Nations band, they said they don't have to. What is the protocol in regards to that?

Mr. Young: — I'm told by the TLE director that we will hold up future land selections until those taxes are paid. But the RM does need to go to the First Nation to collect the taxes. But if it's brought to our attention we will hold up future land selections for that First Nation.

Mr. Allchurch: — But I think this is where there's a problem, Mr. Official. It's turned reserve status and the RMs say they have no way of collecting these taxes because it's federal jurisdiction land. So I'm wondering is there a mechanism that the RM can use?

Mr. Young: — There really isn't a mechanism. INAC tells the First Nation, as we tell the First Nation, that they need to be good corporate citizens, pay their taxes, and work it out with the rural municipality. But there really is no legal mechanism. Although as I'm told by our officials, that we will hold up future land selections for that First Nations. So it stalls their progress on TLE until their taxes are paid. Again it's not a perfect system.

Mr. Allchurch: — I agree, Mr. Official, that it's not a perfect system. And I find that there's not all, there's maybe just a few or a couple of RMs in this predicament.

But as you know, RMs are having a tough time trying to function. And when you get a land mass come into your RM where you have no tax dollars to come in to make those services, what jurisdiction has the RM have in order to collect them. And from what your answer is, there are none. And I'm wondering why this process wasn't put in place before this system was set up. Because right now to the few RMs that are out there, they're out of luck.

Mr. Young: — As you say it seems to be a problem for selected RMs and selected First Nations. I mean I wasn't involved in the negotiation of the TLE framework agreement in '92, but I guess we thought that at that time certainly the tax

loss provision — the 22.5 times — would be the safeguard. And I think the system is working generally well, with these isolated exceptions.

Hon. Mr. Sonntag: — Sorry, I just want to add this. I think you've identified it probably properly. But most often we would get concerns raised in our minister's office from the First Nations saying that they've been paying the taxes all along and they can't get the land transferred to reserve status. And that's the biggest frustration expressed around this. But I do recognize the issue you're raising.

Mr. Allchurch: — Well thank you, Mr. Minister. That is somewhat true too. When I speak about the RMs as having difficulty, this is lands transactions that happened quite some time ago when the process was coming into place. I think since then there's been a lot of loopholes tightened up, and it's working a whole lot better. In fact I know it is because there's only just a handful that's in this regard. But still, all in all, the RMs that are in this predicament are having great difficulty, and they don't have any dollars — none whatsoever — to provide the services.

Mr. Young: — I was just informed by the TLE director that INAC insists that before a game reserve status is granted, that the First Nations show the actual tax receipt for taxes paid. But apparently somehow one or two have slipped through the cracks and have had their lands attain reserve status without those taxes being paid. We're aware of one, perhaps two. But again INAC asks for that actual paid tax receipt.

Mr. Allchurch: — Well thank you, Mr. Minister. I just have a couple of more questions and that's in regards to, still with TLE in comments the minister made — willing seller, willing buyer. But also part of that willing seller, willing buyer process there is a third party interest, is there not?

Hon. Mr. Sonntag: — Yes there can be, absolutely.

Mr. Allchurch: — In regards to third party interests, the lessee of a land he is classified as a third party interest, is he not?

Hon. Mr. Sonntag: — Yes.

Mr. Allchurch: — Okay. If the lessee has rights to the land, in regards to critical habitat wildlife land, who has the rights to those lands? The government still owns the land.

Hon. Mr. Sonntag: — Just ask the question again, please.

Mr. Allchurch: — In regards to wildlife habitat protection land, okay, that's been used to satisfy TLE agreements, where does willing buyer, willing seller — the buyer being the First Nations, the seller being the government — what about the wildlife people that took part in the process of having this land set aside for wildlife protection land? Do they not have a say in the land as third party interest?

Hon. Mr. Sonntag: — I think I understand your question. And just let me use this example, and I hope the TLE coordinator taps me on the back if I get this wrong.

Let's use an example where land is designated as critical

wildlife habitat, and it might have a farmer that has a, you know, a lease on it. If that individual is prepared to . . . So the lease would be a third party interest. If that land, the individual that's leasing the land, if they come to an agreement with the First Nation, the land will be sold for . . . or the value, the third party interest, will be sold for an agreed upon value. And the TLE selection having been made then triggers the process where the critical wildlife habitat then will have to be discharged for the purpose of satisfying TLE.

But if you're asking if Ducks Unlimited or some organization like that who might have been involved in ensuring that that land had designation as critical wildlife habitat will be compensated as a third party interest, I think the answer is they would not.

Mr. Allchurch: — Thanks, Mr. Minister. Yes. If the land is still under leaseholder and is deemed critical habitat wildlife land, if the lessee of the land wants to give up his right, then it can be transferred through TLE.

Hon. Mr. Sonntag: — That's right, yes.

Mr. Allchurch: — My question is, this land that has been set aside for critical habitat wildlife — and you may want to resort to the fact that this maybe is a question for Environment — but because we're dealing with TLE, the land that is in question with critical habitat wildlife protection land, many processes have been in place to protect that land for wildlife and environment. Why is that land being used to satisfy TLE? What we're doing is taking the very best of that land and we're transforming it through to settle TLE. Why cannot the other land that doesn't have a leaseholder on it or whatever be utilized to satisfy TLE?

Hon. Mr. Sonntag: — No, the question is a good question. The strategy by the government is to replace it with an equal amount of critical wildlife land, and I think that — I do stand to be corrected, but I think I am right in this — that there's been more land replaced than has been taken out.

Mr. Allchurch: — Yes. Just another question down the way — 92,000 acres, as you have said, have been taken out to satisfy TLE; that's 92,000 acres of critical habitat wildlife land. Is that correct?

Hon. Mr. Sonntag: — That's right.

Mr. Allchurch: — Okay. Has the 92,000 acres been put back in?

Hon. Mr. Sonntag: — My understanding is there's been that plus some.

Mr. Allchurch: — Plus some.

Hon. Mr. Sonntag: — But we can get that validated for you if you'd like.

Mr. Allchurch: — Well see the question I'm asking is, this land that was set up for critical habitat wildlife land is the best land, okay? When you take the best and you put it away for preservation for whatever reason, why is that utilized to satisfy

TLE? Why couldn't you take the 92,000 acres-plus that you've put back in, use that to satisfy TLE? My question is, why is the best land under critical habitat wildlife land used to satisfy TLE and not other land?

Hon. Mr. Sonntag: — Yes. Let me try and answer that question this way. I think it's fair to say for the First Nations that have shortfall acres still coming to them, there was no designations put on any of these lands before those lands should have really been part of the First Nation in most cases. And therefore through the treaty land entitlement framework agreement process it was determined that only for the purposes of treaty land entitlement — I shouldn't say only because there are some other exceptions I believe — but for the purposes of treaty land entitlement satisfaction, the lands could be withdrawn. But there is an additional government policy that says we will replace an equal amount or more with critical wildlife habitat designation.

Mr. Allchurch: — But nothing changed as far as the critical habitat wildlife plan. That land was in perpetuity years, years ago so there still was a designation on that land. So I'm saying, why was that used? Why was that land used to satisfy when there was this other land that you have found now? Why couldn't that have been used?

Hon. Mr. Sonntag: — Well I may not be understanding your question here, but the designation is not something that is . . . that's fairly recent designation as critical wildlife habitat. And what I'm saying is that many of these lands that First Nations are selecting would have been lands that, had they ordinarily been granted under the original creation of the First Nation, would belong to them now and they wouldn't . . . they would never have had the opportunity to be designated as treaty land entitlement . . . or as critical wildlife habitat land.

Mr. Allchurch: — Okay. So what you're saying as far as designated land is something you've just done in the last year or two.

Hon. Mr. Sonntag: — Well I can get this from the Department of Environment, but my understanding is the designation of critical wildlife habitat land is for sure a designation that was created many, many years after First Nations . . . [inaudible interjection] . . . yes, came to be. But this is something that is fairly recent. These are fairly recent designations. This is not something that is sort of 40 or 50 years old even.

Mr. Allchurch: — Okay. I guess I don't follow your answer in regards . . . I thought that there's a new designation of land now the way you talk. Because I was under the understanding that critical habitat wildlife land is designated land. Whenever that land came into the auspice of critical habitat wildlife land, that was their designation.

So if that is right then why — because there was a third party interest in regards to that, because I think the Wildlife Federation was a third party interest — why was that land taken out? And furthermore to that, why did not the Wildlife Federation know about this until I raised questions two years ago in regards to it?

Ms. Sanders: — Maybe I can try to shed some light to it. It's a

good line of questioning. I think what the minister was saying was, the principle of the TLE is that back 100-plus years ago when the treaties were signed, that's when First Nations didn't get all the land they were entitled to. So if in fact they had received the full amount of land, then that would have been prior to the wildlife designations that we're now concerned about. So that's sort of the technical part.

But I think the other part too, is just that principle that First Nations sometimes want to select those lands for those very reasons because they value the wildlife habitat; they want that part of their reserve. It's part of their tradition to be good custodians of the land in that way. So to exclude them from the ability to include that as part of the reserve, that would go contrary to that principle as well. So you know, it depends on the particular circumstances I guess. But that principle is there as well.

Mr. Allchurch: — Okay. Thank you for that. That pretty well concludes my line of questioning. I do have some more questions as far as TLE, but it involves with a couple of Acts that the government is in the process of passing right now. One is The Ecological Reserves Act where there's land being transferred there. And also the new one, the new wildlife habitat land which is land up in my constituency that will be changed and I need to know the details around that before I can ask questions. So therefore I have no more questions. So I want to thank the minister and his officials tonight.

Ms. Draude: — Thank you. I just have one more question. The minister indicated in his opening remarks that there was tripartite talks going on about self-government and I think that's been happening for about 15 or 16 years. And I think Meadow Lake is one of the areas where there's a lot of discussion going on. The talks I guess are continuing right now. Has Saskatchewan gone as far in their talks as other provinces, as other jurisdictions? Are we leaders, are we followers, or where are we in the big scheme of things in the federal area?

Ms. Sanders: — Well I think we're equal to anyone. The self-government process is in strictest terms between the federal government and the First Nation. But as a province we're one, and I think this is probably the first province that had as official policy a recognition of inherent of self-government and so on. So in the policy and the principle basis we have been there for many years. Our role in the actual self-government process is to be there at the table to try to encourage resolution of issues and where there's a provincial role to try to get that resolved. So those talks are ongoing.

The Meadow Lake process is more active right now. And the FSIN process is the bigger overall one and that one is, there's still discussions talking place but not the active negotiation because there's some issues primarily on the federal side that need to be sorted out before it will advance.

Ms. Draude: — Is there anybody in your department that's working on this full-time?

Ms. Sanders: — I wouldn't say full-time. But there are a number of people spending a lot of time on it.

Ms. Draude: — Thank you. Thank you, Mr. Minister, and to

your officials. I don't have any further questions right now. I'd like to thank you for your help tonight and as a wrap-up statement I can appreciate where you're coming from. And I know that as a six-month-old department, there is lots of work left to be done. And I'm hopeful that in a year from now we'll see that it has made a big impact on the lives of First Nations and Métis people and that we can measure some of the successes. So thank you very much to you and your officials.

Hon. Mr. Sonntag: — Thank you very much too. And I want to thank the officials. They were very excellent questions that you asked this evening. And I can say from a new department's perspective as well, I have really been impressed by the quality of the people in the department and the commitment to making lives for First Nations and Métis people better. I don't think I've seen that, sort of, to a person in any other department like this before. But I want to, again I want to thank the very good line of questioning tonight. Thank you.

The Chair: — Thank you, Mr. Minister. Seeing no further questions are before the committee, that concludes the time we have set aside for the consideration of estimates of First Nations and Métis Relations. And the committee now stands adjourned.

[The committee adjourned at 20:28.]