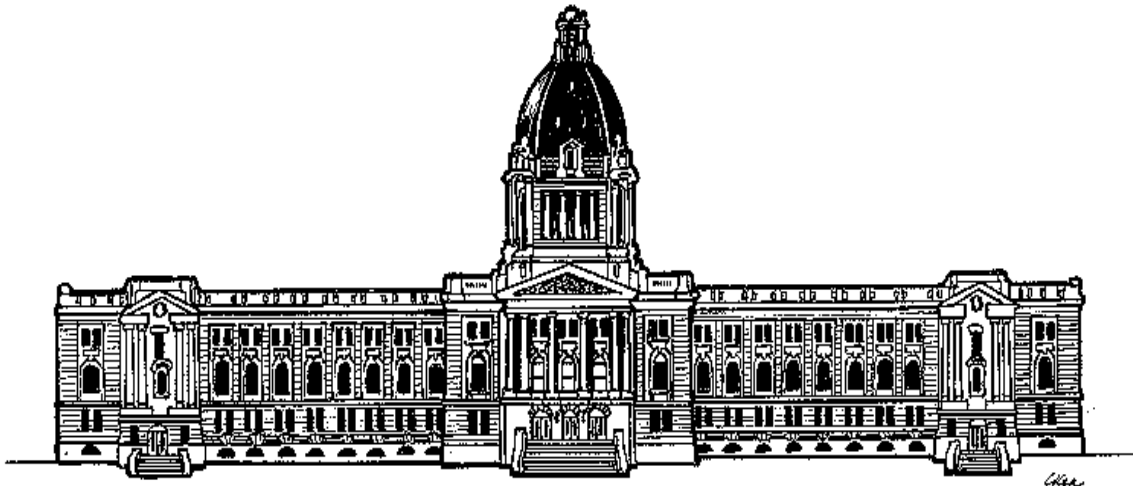




STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND INFRASTRUCTURE

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**STANDING COMMITTEE ON INTERGOVERNMENTAL
AFFAIRS AND INFRASTRUCTURE
2007**

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The Battlefords

Mr. Kim Trew
Regina Coronation Park

[The committee met at 15:00.]

**General Revenue Fund
Government Relations
Vote 30**

Subvote (GR01)

The Chair: — We will now convene the Standing Committee on Intergovernmental Affairs and Infrastructure. The item of business before the committee this afternoon is consideration of the estimates for Government Relations vote no. 30, which can be found on page 81 of the Estimates book. Mr. Minister, if you'd please introduce your officials.

Hon. Mr. Van Mulligen: — Thank you very much, Mr. Chair. Seated beside me on my right is Lily Stonehouse; she's the deputy minister of Government Relations. Seated beside her is Wanda Lamberti; she's the executive director of central management services. Seated on my left is Maryellen Carlson who is the assistant deputy minister for municipal relations. And behind us are seated Paul Osborne who is the assistant deputy minister for trade and international relations; Dylan Jones, the assistant deputy minister for Canadian intergovernmental relations; Kathy Rintoul, the director for the New Deal Secretariat; And Doug Morcom who's the director of grants administration. And I believe that's it. Thank you very much, Mr. Chair.

The Chair: — Thank you, Mr. Minister. Mr. Minister, if you could have your staff identify themselves when they're going in through the process of answering questions, it would certainly help the recording people here to keep track of who is saying what. So if you wouldn't mind when you go to answer the question, will you just please indicate who you are. Mr. Hermanson.

Mr. Hermanson: — Thank you, Mr. Chair. Just waiting here to see if the microphone's working, there we go. Thank you, Mr. Chairman, and I'd like to welcome the minister and his officials to this Intergovernmental Affairs Committee meeting dealing with estimates for the budget year 2007-2008.

Might as well get the housekeeping questions out of the way first. Just looking at the budget, I see that there's an increase in spending of not that much — \$184,000 over the estimate from a year previous. And staffing complement for the government — this is for staffing for Government Relations — is 168 full-time equivalents. Last year you said that of those, 23 were involved in Intergovernmental Affairs area. Is that number the same or is it changed?

Hon. Mr. Van Mulligen: — Mr. Chair, we have one additional FTE [full-time equivalent] for the ADM [assistant deputy minister] for Canadian intergovernmental relations. And we have a part FTE to engage someone to do planning work for the meeting of the Western premiers scheduled for 2008.

Mr. Hermanson: — Thank you, Mr. Chair. Then I would assume that that premiers' meeting is hosted here in Saskatchewan, and then that why you need the additional staff.

Hon. Mr. Van Mulligen: — Yes.

Mr. Hermanson: — Just on the \$184,000 increase in Intergovernmental Relations budget that's proposed, actually in light of the work around the fiscal imbalance and TILMA [Trade, Investment and Labour Mobility Agreement], increased trade, is that enough? And that's a strange question coming from a critic, but I just wonder given the importance of that area, do you feel you're covering all your bases?

Hon. Mr. Van Mulligen: — Well I appreciate the member's concern and certainly make note of that. The area of Intergovernmental Relations certainly is proving to be more of a challenge for us than we had hoped. And the addition of Dylan Jones as the assistant deputy minister for Canadian intergovernmental relations is a welcome addition to assist us in sorting through a myriad of files that is not our department but all of government departments and their dealings with the federal government.

In terms of trade policy, you will know that we have been very busy in terms of dealing with an opportunity presented by the governments of BC [British Columbia] and Alberta with respect to the Trade, Investment and Labour Mobility Agreement to respond to that.

I think it's fair to say that our staff has been taxed at times to deal appropriately and effectively with those challenges. But we've also had to engage outside opinions in terms of helping us guide through those issues. If the level of activity in that area were to be maintained at that level, then certainly would have some questions about do we have adequate resources going forward. But at this point I believe that — and my staff will never agree with me saying this — I think we're adequately staffed and resourced to deal with the issues that are on our plate at this point. Thank you.

Mr. Hermanson: — Thank you, Mr. Chair. I guess then my second question would be of an internal nature and how you apportion your budget. I am surprised, looking at this budget, that you would apportion more money to international relations than you do to Canadian intergovernmental relations, again given the concern over the fiscal imbalance, the TILMA agreement, and other things that are happening on the national level.

Do you traditionally spend more money on international relations? Is the Canadian intergovernmental relations portion a growing or diminishing portion of your budget in relation to the other facets of your department?

Hon. Mr. Van Mulligen: — I'd just point out that a significant portion of the expenditure for international relations is in fact a grant to the Saskatchewan Council for International Cooperation for their matching grants in aid program. That budget item this year is \$410,000 out of the 1.012 million that's indicated in the estimates. So the expenditure on salaries is about half a million dollars relative to the expenditure in the other areas.

Mr. Hermanson: — Thank you, Mr. Chair. So a lot of that is just cutting a cheque for charitable purposes on an international

basis. It's not involving work on the part of your department. Is that what you're saying?

Hon. Mr. Van Mulligen: — That's right. We have had for a number of years a grant program to match fundraising by the member agencies for the Saskatchewan Council for International Cooperation and this year budgeted at \$410,000 to assist these groups that are carrying out worthwhile activities in Third World. And that's then a significant part of this budget.

We do have obligations when it comes to international relations, not inconsiderable ones, including many visits that we receive from people from other countries — ambassadors and the like — where we need to be appraised of our relationship as a sub-national with those countries.

We also need to continue to support and develop relationships that we have built over the years with our neighbours to the South, and particularly in this case, I think, a strong relationship with the state of Montana. And also you will know our relationship with the Midwest conference of the council of state governors, that there too we need the staff support to fully apprise the government of what implications this relationship has for us.

Mr. Hermanson: — Thank you, Mr. Chair. And I think you've answered my next question. I don't want detailed explanation if I'm correct. Under classification by type, I wasn't sure about what transfers for public services meant. But I assume that that's mostly this charitable cheque you write and things like that. Is that correct?

Hon. Mr. Van Mulligen: — That's correct.

Mr. Hermanson: — All right. Thank you, Mr. Minister. Just one other housekeeping item, and I'd like to read from *Hansard* about a year ago when we did this exact same thing. I asked if you could:

... provide me with a list of, upcoming for the next year, the scheduled first ministers' meetings and other ministerial meetings that would be occurring in Canada, in which the province of Saskatchewan would be participating.

And your response was:

To the extent that we are knowledgeable about these things, yes, we will. We'll be glad to provide that, recognizing too that meetings are sometimes scheduled, meetings are cancelled. But yes, we can.

Mr. Minister, I never did receive that list, and I wondered if I might have an explanation for that.

Hon. Mr. Van Mulligen: — Well I can't really provide you an explanation. It has to be an oversight that we did not respond. Please be assured that we will undertake to provide you with a list for the coming year. I don't think it was a case of all these meetings being scheduled and then cancelled, and therefore there was no list effectively. But I just assume that there's been some oversight on this. And please accept my assurance that we will provide the information.

Mr. Hermanson: — Thank you, Minister. And that would be appreciated. It's nice to know just what the, you know, what we see coming over the horizon. And I know that your department should be aware of those things prior to the rest of the province. And we would find it useful to know when first ministers' meetings . . . and even other ministers where, you know, if it's a conference on health with ministers of Health, that type of thing, if it's scheduled. Obviously we recognize that schedules change and meetings are sometimes cancelled and called on short notice. But it's just the general schedule that we would like.

I want to touch for a few minutes on this whole issue of the Trade, Investment and Labour Mobility Agreement. My understanding is that your department has gone through or has projected that Saskatchewan would investigate this in three phases.

The first phase — my understanding is — is completed, and that's where you're just identifying whether or not this is real and is worthy of consideration. My understanding is that currently your department is in phase 2 where you're trying to determine the advantages or disadvantages for the province of Saskatchewan. And the completion of phase 2 would be a recommendation to cabinet. And then, my understanding, that cabinet dealing with it would be phase 3. Is that a correct understanding of the way you're approaching TILMA and Saskatchewan's role in it?

Hon. Mr. Van Mulligen: — Yes. I would add to that that somewhere between phase 2 and 3 it's also our desire for public input. In fact it's cabinet desire to have public input before cabinet makes any decision in this matter.

Mr. Hermanson: — Thank you, Minister. My concern is that, my understanding is that there is no deadline, no timeline for phase 2. Can you explain how in the light of, I think, the importance . . . I think whether you're for it or against the agreement, you recognize that it's an important agreement and would have major implications and significant implications for Saskatchewan. Why is your department and why is your government leaving this so open-ended? You know, there's no completion date for phase 2.

Hon. Mr. Van Mulligen: — Mr. Chair, I've indicated publicly that we expect or certainly it's a matter of public record that the Standing Committee on the Economy of the legislature will be examining this matter, inviting public input, that they have been requested to report to the Legislative Assembly by the end of June. Subsequent to that, cabinet will be making a decision.

I don't know all of the cabinet meeting dates proposed for the summer, but my sense is that by the end of the summer, you know, there should be some clear indication from cabinet as to what direction it wants to take. You know, don't hold me to that if we stretch that into September, but it's clearly our desire to deal with this as quickly as we can.

Having said that, again I must point out that this is a matter that was under consideration, discussion, by the provinces of BC and Alberta for a period of exceeding three years. And then that discussion simply led them to an agreement to thrash out the details of that for a further two years. So if we are, according to

some appearances, not moving as quickly as some would like, let me just say that we are and that we do plan to have a resolution to this matter before the end of the summer.

Mr. Hermanson: — Okay. Thank you, Minister. Can you tell me when Saskatchewan was first invited to participate and sign into TILMA? What was the first date an invitation was extended to become part of the agreement?

Hon. Mr. Van Mulligen: — The agreement between the two provinces — BC and Alberta — was I believe first publicly communicated by them in April 2006, and subsequent to that at a meeting of the ministers of internal trade. In September 2006, they then indicated that if provinces wanted to accede to this agreement, that that opportunity existed for them, and subsequent to that we have been doing our work.

Mr. Hermanson: — Thank you, Minister. Did you do any preliminary work prior to the agreement being extended, and was there any approach made to British Columbia and to Alberta to say, you know, we're interested in this?

Hon. Mr. Van Mulligen: — We undertook to survey departments for a preliminary assessment on their part — departments, Crowns, agencies — a preliminary assessment on their part probably in the spring months of 2006, thereabouts, that we asked for initial reaction so that by the time of the committee on internal trade, the ministers' meeting, we had an idea at that point that we wanted to proceed to a further detailed examination. And I met at that time with the two ministers responsible for their respective provinces to communicate that to them.

Mr. Hermanson: — Thank you, Minister. So in the spring or following the spring consultations with the departments, you would have compiled this information and thrown it into some kind of a report or review of the TILMA agreement and its potential for Saskatchewan. Is that correct then?

Hon. Mr. Van Mulligen: — There was a cabinet decision item that was prepared, and I presented to cabinet outlining on a very surface level the reactions of government departments to this particular agreement. That then allowed us to move forward to a more detailed examination.

Mr. Hermanson: — Thank you, Minister. So would that then be based on an internal report that was done compiling the views of the various departments?

Hon. Mr. Van Mulligen: — Yes. We asked each of the departments, Crown corporations, agencies of government to take a look at the agreement such as it was to indicate in their view what opportunities or challenges that agreement might present to them. This was not, by any means, a detailed examination of the agreement. But based on that what I would call cursory review, we did receive advice, information from all of those, I think, most of those Crowns and agencies and departments that then informed a cabinet decision item for . . . that I presented to cabinet.

Mr. Hermanson: — Thank you, Minister. I think that's actually encouraging that your department undertook that. I wonder, in light of the fact that you have promised

consultations with the people of Saskatchewan, if you could make that internal report public so that the people of Saskatchewan would have more information in trying to determine what the arguments and the intricacies are of belonging to this type of an agreement.

Hon. Mr. Van Mulligen: — No, Mr. Chair, that's a cabinet item, and as such we never release information, our decision items that go to cabinet — not even if we thought it was very favourable do we do that because it begs the question then of, if you can provide one report then you can provide others. That's the way the system operates for us. It's akin to, you know, a client-solicitor relationship in terms of information that's provided. And that's how it works, Mr. Chair.

Mr. Hermanson: — Thank you, Mr. Chair. I was trying to make it very clear that I was not asking for a cabinet document, but basically I was asking for a department document. And serving as Chair on the Public Accounts Committee, we quite regularly ask for internal documents, whether it be reports or whether it be internal audits, and most departments are very forthcoming with that type of information. Clearly I'm not asking for what, you know, what document was . . . the document that your cabinet discussed in the decision item that you asked for. I recognize that that is a confidential matter.

But I am asking if the compilation of information that your department gathered from the various departments that got their initial response as to the pluses and minuses of TILMA, which I think is important for, you know, consultation process, if that document or documents could be made public so that we would all have a better understanding of how SGI [Saskatchewan Government Insurance] or how the University of Saskatchewan or how the Department of Environment or whatever would view TILMA, not your recommendation and not the document that is a cabinet document.

Hon. Mr. Van Mulligen: — Mr. Chair, that's the information that comprised the cabinet decision item. Also I would have concerns about the release of any prospectus by departments relative to trade and what comfort other jurisdictions might take from that in the context of relationships that we have under NAFTA [North American Free Trade Agreement], the rural trade organizations. I would be reluctant to provide some of that information because that might be of potential benefit of other parties whose interests are not our interests.

Mr. Hermanson: — I'd ask the minister then, what is your plan? What is your communications plan then to let the people of Saskatchewan know your best perceptions of what TILMA would mean for Saskatchewan? Are you going to remain a neutral bystander and not provide information both of the advantages and disadvantages of an agreement?

We all know that these kinds of agreements have a positive side and a negative side and question marks. And obviously the determination of the public is, do the benefits outweigh the challenges involved with an agreement? What good is consultation if all you're doing then is hearing from the special interest groups that have already made up their mind about the deal, rather than providing them with factual, non-biased information?

Hon. Mr. Van Mulligen: — Mr. Chair, we are hopeful that the committee on internal trade will be able to obtain the informed opinion, not just of people of Saskatchewan, individuals, but also stakeholders and those entities that are actively involved in matters of internal trade whose investment decisions might well be affected by an agreement of this nature. Again we're not looking at TILMA as such. We're looking at internal trade. At least that's what we're asking the committee to do.

And you know, I think that there are entities, stakeholders if you like, in Saskatchewan who stand to be affected by these considerations, and we hope to hear from them. We don't on the one hand want to hear from people who have no direct interest as such, simply formed an opinion. Well I guess, we want to hear from them, but by the same token we don't want to speculate on, you know, as to what impact this agreement and the agreement on the internal trade and generally impacts there will be on internal trade on businesses that are located in Saskatchewan, do business in Saskatchewan. We don't want to speculate. We'd like to hear from them and to have their opinion also help to inform us as we go forward in making a decision.

Mr. Hermanson: — Thank you, Mr. Chair. Mr. Minister, based on your phase 2 deliberations, would you agree with — was it the Conference Board of Canada? — I think it was Conference Board of Canada that stated that if Saskatchewan was a signature to TILMA, we could expect 4,400 additional jobs beyond job growth outside of TILMA. Would you agree with that?

Hon. Mr. Van Mulligen: — Well, Mr. Chair, I'm not an economist. My facility with economics suggests that by and large, as a general principle, you buy low and sell high. But I note with great interest, and also have released other information relative to internal trade by economists who are experts — to the extent that one can be experts in internal trade — that have a different opinion than the Conference Board as to what the impact would be of acceding to TILMA.

The economists that I've read or the papers that I've read suggest that a better analysis of the impact of acceding to TILMA suggests that it wouldn't be a 1 per cent improvement in one's GDP [gross domestic product]; it's more like one-tenth of that, generally speaking, as an improvement in the GDP. So it's not an improvement of 4,400 jobs for Saskatchewan, but it might be 440 jobs for Saskatchewan.

Again, the Conference Board methodology raises some questions and eyebrows. And we knew that, based on their work for the government of British Columbia in analyzing the TILMA deal for that province. We knew that but felt that, nevertheless, would be a useful perspective to have. Certainly there would be lots of questions, not the least by yourself, if we did not engage the Conference Board, recognizing that they have some computer simulation models to analyze the improvements that might be achievable under improved conditions of internal trade. So we felt it was better to have the Conference Board report but at the same time also provide other perspectives on internal trade.

By and large again, most economists are of the opinion that the improvements to internal trade from, say, not only from the

TILMA, the Trade, Investment and Labour Mobility Agreement by BC and Alberta, but generally on improvements of internal trade are not as great as some would lead us to believe, that relative to other jurisdictions Canada already has a pretty positive environment when it comes to matters of internal trade.

We don't have border inspection stations that stop trade or inspect trade at our borders. For sure there are irritants in that. And I've consistently pointed out that Saskatchewan canola growers, as other prairie canola growers, have a trade blockage that we have identified and continue to work with them on relative to the provinces of Quebec and Ontario. But by and large, there are a few barriers to trade itself.

There are questions of investment between provinces where there are different investment environments clearly that, you know, may provide for some improvements. There are certainly questions of securities, questions of business registration that could stand to be improved.

Securities is an issue separate from trade that's being worked on by ministers responsible for securities, and they've now developed a passport system so that a business that registers in Canada, in Saskatchewan would then be registered for all intents and purposes in all the other jurisdictions, Ontario excepted because Ontario believes that all registration should come through them. But I think there have been improvements in that area, could stand to be further improvements in that area.

I think that, you know, business registration is a question of, if you register to do business in one jurisdiction, should that then automatically mean that you're registered in other jurisdictions? That's a very good question. But the impact of that is not as great as some think it might be. There's questions of labour mobility, questions that continue to be pursued by ministers responsible for training and the professions in the relative jurisdictions. And I think more progress can be made and should be made on that. Whether that's then something that the real challenge is to do that on a regional basis or to continue to work with the other provinces on a cross-country basis is a good question.

So I think there are opportunities. But I think sometimes the potential benefits of that . . . again relative to other jurisdictions such as the United States where there are barriers there to investment decisions between states, given the support that governments provide for a business to locate in one state as opposed to another, given also the differences in procurement that might exist between some of the states and Canada. Through the agreement on internal trade, we've been able to standardize procurement decisions in a very major way. Any further improvements, I'm not sure what huge additional impact that might have on our GDP. And that's a question that many economists are asking as well.

Mr. Hermanson: — Thank you, Mr. Chair. Boy, that was a long answer. I almost forgot the question but not quite. I do remember what the question was. It was regarding what your position is from your deliberations through phase 2 thus far. And I guess if . . . You know, correct me if I'm interpreting this wrong, but I sense the negativity or pessimism as to the benefits of Saskatchewan joining TILMA, that it might not be quite up to the standards put forward by the Conference Board.

What I have been hearing is that the Conference Board probably highballed its benefits for the BC-Alberta agreement, but that in fact that they were trying to make amends and probably lowballed the benefits for Saskatchewan to try to offset some of the enthusiasm they created for the first one. And I think . . . And I know you're not an economist. Neither am I an economist, but you were the Finance minister, and you are currently the Minister for Intergovernmental Affairs, and so that's why I ask you these questions, because it's your department that's in this evaluation phase, and we're trying to determine where that evaluation is.

I think it was doctor or Professor Eric Howe that said that the Conference Board was likely lowballing the benefits of Saskatchewan joining TILMA. Do I sense from your answer that you would disagree with him? And you were talking to other economists and they are having more impact on your position than say he and the Conference Board are?

Hon. Mr. Van Mulligen: — Let me just say this, that the prevailing opinion — and I don't think it's a consensus as such — but the prevailing opinion among economists who deal in these matters is that the potential benefits to further improvements as suggested by an arrangement such as TILMA are probably exaggerated and that these projections are in fact highballed, that for the reasons that I've just mentioned about, the state of internal trade in Canada now, that even to make these improvements as suggested by TILMA doesn't necessarily suggest that there would be that massive an increase in the GDP. Again it's not an exact science. I think that's one of the points that economists are making as well.

Mr. Hermanson: — Thank you, Mr. Chair. And, Minister, are you also skeptical of the Conference Board's speculation that our GDP would grow by almost \$300 million above any other growth if we join TILMA? You bring that number into question as well as the job creation numbers?

Hon. Mr. Van Mulligen: — They relate the job growth to GDP growth, and so I would just simply provide the same response, note with interest the very critical examination by Dr. John Helliwell, I believe it is, from UBC [University of British Columbia] who has also examined the Conference Board report. And he questions their methodology. It's something akin to asking people how they feel and then using that rather subjective assessment to then throw into a computer model and say, well now here it's quantified.

You know let's just say that there are questions about the methodology and that one should look at the results of that with some . . . well we should look at it not uncritically.

Mr. Hermanson: — Thank you, Minister. How are you going to insulate yourself from the politics of this issue? In a brief report that I have, it looks like it's . . . You know, the David Orchards of the world who are always against any kind of trade, they always see us losing. Some, not all, but some of the unions have some concern. The MASH [municipalities, academic institutions, schools, hospitals] sector I understand has some concerns. Municipalities have some concerns.

On the other side a lot of, you know, a lot of business groups see a benefit. Those who want mobility in their professions,

they're supporting this. Politics can come into play pretty quickly.

How are you going to separate yourself from the politics of this issue so that your department and your government can make the right decision, the recommendations and, quite frankly, you as a part of cabinet can make the right pitch on what we should do about TILMA?

Hon. Mr. Van Mulligen: — Mr. Chair, that's exactly why we're asking the all-party Standing Committee on the Economy to solicit public opinion and to report back to cabinet so that that public input is clearly identified and everyone knows what that is. That's then the opinion that we'll be taking into consideration as we make a decision.

Mr. Hermanson: — Thank you, Mr. Chair. So, Minister, you're saying that if there's a consensus — not unanimous but a consensus — out of the consultations that Saskatchewan would join TILMA, that your government would oblige that consensus with an agreement?

Hon. Mr. Van Mulligen: — I rather expect that there will not be consensus given the pronouncements that we've seen where there are those that have very strong views about any improvement in trade is a worthwhile thing to do, as opposed to those that view this as not a trading issue but more one of investment and therefore have a different point of view. We know that there is very little consensus on this.

Nevertheless we feel it's important that Saskatchewan people and stakeholders be given an opportunity to express their points of view so that that can then be taken into consideration and so also that all Saskatchewan people are aware what those viewpoints are.

Mr. Hermanson: — Thank you, Mr. Chair. That brings me back again to my previous question. If there isn't a consensus, then leadership will be required from your department, from you as a minister. And how are you going to divorce yourself from the politics of this issue and make a decision that's good for the people of Saskatchewan?

Hon. Mr. Van Mulligen: — At the end of the day, Mr. Chair, I will have the benefit of the externally commissioned reports that we have done. I will have the benefit of internal information from government in terms of how we see TILMA affecting government operations. I will have the benefit again of the viewpoints as put forward before the committee. And that will then assist me to, with the support of my department, to put together a decision item for cabinet so that cabinet can then clearly make the decision.

Mr. Hermanson: — Thank you, Mr. Chair. But this internal information will not be made public, and so we have no way of knowing whether or not this is a logical, smart decision or whether it's a politically based decision.

Hon. Mr. Van Mulligen: — Well you know, I guess no matter what decision you make in government, Mr. Chair, someone will always question the politics. I mean — heaven knows — that's what question period and this Assembly is all about.

But again if we or when we make that decision — not if — when we make that decision, we'll clearly indicate our concerns about the agreement. We will indicate the opportunities as we saw them. We will also indicate the challenges as we saw them and, you know, why it is that we've taken the decision that we have.

Mr. Hermanson: — Thank you, Mr. Minister. I want to ask a question about procurement, but before I do that, I don't want to forget this question that came to my mind from an earlier answer. Phase 2, you indicated, would conclude following the public consultations. You said, maybe this summer, fall, certainly. Does that mean that you expect a cabinet decision early in the fall or mid-fall? Is there some determination as to when cabinet will tell the people of Saskatchewan this is the way we see it?

Hon. Mr. Van Mulligen: — I expect that cabinet will make a decision this summer, but cabinet meeting schedules during the summertime can be a bit of a challenge at times. So I don't want to go out on a limb and say, well there will be a decision by the end of July, when I'm not sure that, given people's schedules, whether that's in fact achievable. Certainly it's our hope that cabinet will have had an opportunity — and it's not an inconsiderable matter that we're dealing with — will have had an opportunity to review all the documentation and to come to some decision on this by the end of the summer. Again roughly speaking, you know, if we're out by a couple of weeks on that, don't judge me on that account, but that's our hope.

Mr. Hermanson: — Thank you, Mr. Chair. So obviously then I'd be safe in saying that it would be highly likely, very likely that there would be a decision announced before the end of September. That would be fair.

Hon. Mr. Van Mulligen: — Well again I hope that there will be a decision made this summer. But again cabinet meeting schedules in the summertime, given ministers' schedules, given conflicts from some of the conferences that, you know, whether it's premiers' conferences or ministerial conferences, you know, that make it difficult to meet as expeditiously and in as timely a fashion as we would always like during the summer months.

But again it's my hope that, given the report of the Committee on the Economy by the end of June, that cabinet should be in a position to make a decision this summer.

But again one never knows about cabinet and one never knows about what other issue might come along that puts your issue on a back burner for that particular day — I suspect not much different than a caucus and that, where you have good intentions to deal with something one day but it gets put back to another day because of the press of other issues that come along. So again it's our intention to make a decision on this by the end of the summer.

Mr. Hermanson: — Thank you, Mr. Chair. Minister, we know that with your extensive experience and long political career that you will drive this to an early conclusion and we'll know early on. We have confidence in that regard.

These public consultations, I assume that they'll be open meetings. These are not going to be in camera sessions, but

they'll be fully public meetings. The witnesses who come before the committee will not be meeting in camera but the people of Saskatchewan will hear clearly where everyone's coming from?

Hon. Mr. Van Mulligen: — I can't answer that question for you. If there are specific inputs that the committee is asking for that are in camera or certainly are not going to be televised, I don't know that.

My sense is that all the committee proceedings are going to be televised and open to the public. That's my understanding. But I stand to be corrected if there's some specific issues that the committee wants to explore in camera. That may well be, but I'm not sure about that. But that's a good question to ask of the committee Chair.

Mr. Hermanson: — Thank you, Mr. Chair. I don't think I'm allowed to ask him at this particular point when I have you here, so we will . . . I just want to ask you, part of what TILMA deals with is the procurement policy, and I've looked into procurement. In some places, in some areas, there's a rather substantial decrease in procurements that . . . I should say the threshold has been decreased for procurements where TILMA comes into effect, where in fact a public tender must be submitted. And of course, it would cross our borders to all who are in the TILMA agreement.

In principle, is Intergovernmental Affairs supportive of this?

Hon. Mr. Van Mulligen: — You know, we have procurement policy now in Canada for all the provinces, and as I understand, all the provinces subscribe to this. There's always some questions about whether or not somebody did actually do that or didn't. But by and large, we subscribe to this policy. This policy has a threshold on goods and services of, I believe, \$25,000. At this point it's \$25,000 for goods, \$100,000 for services. TILMA is proposing a threshold of \$10,000 for goods, \$75,000 for services, and \$100,000 for construction.

But again I think this points out a comment I made earlier about whether these kinds of improvements would in fact signal any real substantial change in trade or in this case procurement. If you have a threshold of \$10,000 for goods, chances are that that's the kind of procurement challenge that a local supplier would be attempting to meet and not one that a \$10,000 item is going to attract the attention. Where it goes from 25, \$10,000 isn't necessarily going to attract the attention of some supplier located in Richmond, British Columbia, as an example.

Again my sense is that it would be local suppliers that would still, in the main, respond to tenders in that price range. And therefore to change it from 25,000 to 10,000 is not likely to have a huge, appreciable impact on the GDP.

Mr. Hermanson: — Thank you, Minister. In many cases I would agree with you, although in the world of eBay and small business, it's quite amazing what some smaller operators can do if some of the barriers to their operation are removed.

There's one other area that I want to ask you some questions. And quite frankly, I'm not as sure how involved your department is in this issue. If you're not involved, I think you

should be involved. And that is with regard to discussions about a national energy grid. Can you just briefly update me as to whether or not your department is involved in discussions nationally about a national energy grid?

Hon. Mr. Van Mulligen: — Mr. Chairman, this issue that was raised at the Council of the Federation, and the premiers among them have identified this as a challenge to be pursued. It's not an issue per se that my department is involved in. We are — how shall I say? — tangentially aware that this is taking place. I would point out that the relevant department for government is likely to be the department of energy and resources. And also with the assistance of SaskPower in terms of those discussion, we're aware that's going on.

Our Canadian intergovernmental relations, we tend to act more as an analytical support for other departments who on a sector-by-sector basis are the responsible agencies for dealing interprovincially so that when it comes to discussions by ministers of Agriculture with respect to, say, agricultural programs for all of Canada and that affects Saskatchewan, we are an interested observer to those discussions — always interested to know not just in the details but how those discussions might relate to other discussions that the federal government's having at other tables so that, you know, if there are trends that come out of that, that we then might be at a position to observe that, inform ourselves, and to provide advice to the departments.

But we would certainly not be considered to be the lead agency on those items. The question of internal trade is clearly an item where we are the lead ministry, but when it comes to . . . and equalization. But when it comes to many other sectors, we're not the lead agency. We are in fact a very interested observer but no more than that.

Mr. Hermanson: — Okay thank you, Mr. Chair. Obviously internal trade is a component of the national power grid, and I know that other governments are speaking out. You know, there are regular missives . . . not missives actually. They're quite positive proclamations coming from Ontario and Newfoundland, and I believe that probably the first leg of such a grid would be constructed east of here.

But it is vitally important to Saskatchewan to know where we stand on this issue and to understand the trade components because power may be, you know, energy may be a huge component of our economy down the road as the needs grow. And I would think that because this requires co-operation with other governments, that your department might take a little more interest in this. So we'll, perhaps if we have another opportunity prior to an election, we'll pursue this with you further.

I just want to ask in the remaining time we have — we don't have a lot of time — there's been a lot of rhetoric about the fiscal imbalance, about the federal equalization deal, and Saskatchewan has fallen short of your expectations as to what we'd receive. And I think Saskatchewan's not alone; there are a lot of provinces that seem like didn't quite get what they want, and there have been a lot of different responses to that.

One of the stranger responses, I think, has come from your

government where you're demanding that the 12 Conservative MPs [Member of Parliament] . . . I can't remember, is it they resign or they vote against the budget or something? It seems quite political. I've noticed that the Government of Nova Scotia, who also is looking for a better energy agreement than the one they currently have — and they already have one — have been meeting with Mr. Flaherty, and their government is pretty proactive in trying to resolve some of these issues.

Are we, is your government, is your department taking a confrontational approach entirely on this issue, or are you quietly doing some diplomacy behind the scenes to try to strengthen the relationship with the federal government and work through this issue rather than just have a public scrap over it?

Hon. Mr. Van Mulligen: — Sure. If I might just go back to the comment with respect to the national energy grid, I think it's fair to say as a general statement that we would work positively, constructively with the other jurisdictions in Canada to promote the ability for the transfer of power in and among the provinces.

Saskatchewan as a jurisdiction has benefited over the years of being able to export power under certain circumstances. We have in Saskatchewan a very dependable, reliable source of power, much of it based on coal. So when there are circumstances in other jurisdictions where — because of, say, low hydro volumes — they can't meet their needs, we are in a position through coal-fired plants or even more importantly through natural gas-fired plants to be able to export the power that's needed by others. And we've been able to benefit from those relationships over the years. So when there's discussions about improving the interconnectivity between us and jurisdictions, we will be very active and interested and constructive parties in that discussion.

With respect to the question of equalization, yes, it's just not Saskatchewan, you know, that is very concerned about this commitment by the federal government not being carried through by them. The Premier of Newfoundland — even though he's of the same party, I understand, or maybe there's an asterisk there of the governing party in Canada at this point — is very upset with what he sees as a broken promise by the Government of Canada.

The Government of Nova Scotia tried to have a meeting or had a meeting with the Finance ministers. But out of that seemed to come nothing except federal government indicating that there was another file that they are working on that perhaps they might make progress on. But certainly it appears that public opinion in Nova Scotia is suggesting that to receive something that should be done in any event is not a solution to the question of this promise by the federal government.

Are we having discussions with the federal government? I think it's fair to say that at some levels, we're always discussing issues with the federal government. Is it specifically on this? I think the federal government would certainly like to see some resolution of the differences that exist now between the federal government and the government and the people of Saskatchewan on this fundamental issue. And I think it's fair to say that they will always be inquiring as to either alternatives to this, but certainly wouldn't want to speculate on any of the

details of that.

Mr. Hermanson: — Thank you, Mr. Chair. So, Minister, you didn't specifically say whether you were undertaking any acts of diplomacy to try to strengthen your relationship with the federal government and perhaps resolve some of these issues. Are you then indicating that everything is at an impasse and there's no profitable discussion on this particular issue? I'm not talking about other issues — I know you're always talking about lots of things, all the time — but particularly on the fiscal imbalance, the energy accord, and equalization that specific portfolio. Are there any positive discussions occurring right now between the province of Saskatchewan and the federal government?

Hon. Mr. Van Mulligen: — The answer is no. We are not, at least at a ministerial level, involved in any — what I call — constructive discussions with the federal government. Attempts by at least one of our ministers to — that's involved in this file — to touch base with his counterpart in Ottawa is not particularly encouraging. I indicated in a previous interview with the media in Ottawa that it appears that provinces had to resort to a form of megaphone diplomacy: to shout to be heard. My view, that is a regrettable situation in a federation where we need to be strong, to be united on national priorities if in this world we're to have some success, continuing success in providing the very best opportunity for our citizens compared to others.

And I regret that the federal government cannot see its way clear to entering into constructive discussions with the province of Saskatchewan, that their members of parliament continue . . . and perhaps the government has no control over that, although at least two of those are members of the cabinet and one would think that there would be some checks on their public comments. But that in the main that the members of parliament continue to spin some sorry, tawdry little story about how it is that the federal government is in fact responding to the needs of Saskatchewan people with respect to equalization when in fact that is not occurring.

And I think if there is to be some meeting of minds between the Prime Minister of Canada and the Premier of Saskatchewan, then I think the Prime Minister of Canada has to bend somewhat. He has to be more sensitive to the concerns that are being created by his government in the various jurisdictions. And if the Prime Minister can do that, then I think we will want to be there.

I don't think we're at the point yet where we need some outside negotiator or conciliator to bring us together, and I hope it doesn't come to that, but the Prime Minister has to recognize that his approach to national unity is not working. When he has three provinces that are clearly, demonstrably offside with his government, that's no way to run a ship.

Mr. Hermanson: — Thank you, Minister. And I have one more question because I think I've been fairly brief with my questions and the Chair has looked favourably upon me. I know it's the time to conclude this. But if there are no positive consultations and work going on with the federal government — all that I have been able to observe is that we have got some kind of a ad hoc advertising campaign or initiatives with the

Government of Newfoundland which seem to be going nowhere — are we working constructively with other provinces? Do we have other provinces, other than Newfoundland, who are our allies, to try to corporately approach the federal government for a stronger agreement?

Hon. Mr. Van Mulligen: — All provinces have their own interests vis-à-vis the federal government, but it's fair to say that at this point there are three provinces, four provinces that are very concerned about what they see as a broken promise by the federal government or a commitment that has not been followed through on with respect to equalization. And those provinces are Saskatchewan, British Columbia, Newfoundland and Labrador, and Nova Scotia. I think there's also concern in Alberta, although there are other changes that the federal government has made in their budget that they very much appreciate. There's always a concern on the matter of principle as to the treatment of resource revenues when it comes to Ottawa.

We are also concerned about other discussions that are taking place, Mr. Chair. I note from news reports that it appears that the Leader of the Opposition is having discussions with people at the federal level and that his discussions in those meetings are far more amicable than would be suggested by his public pronouncement. So we don't know what implications that has, if there's some back channel of communication between the Leader of the Opposition and the federal government that is affecting the position of the federal government. If that's the case, we'd certainly appreciate as a government knowing about that.

There can be at the end of the day only one entity that purports to speak on an interprovincial basis with the federal government, and that is the government of the day in Saskatchewan. We cannot have a situation where work that we try to do is undermined by others.

Mr. Hermanson: — Thank you, Mr. Chair. I won't respond to that last comment. I think it was pretty much a fabrication, but I would still like to thank the minister for appearing with his officials. I'd like to thank you, Mr. Chair, for this opportunity to bring a very important issue forward. We covered a lot of very important ground, and we wish you all well. Thank you.

The Chair: — Thank you, Mr. Hermanson. I'm not seeing any further questions before the committee. The committee will now vote off the estimates for Government Relations, vote no. 30, and that would be central management and services (GR01) in the amount of 5,329,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Intergovernmental relations (GR04) in the amount of 2,888,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Municipal relations (GR08) in the amount of 6,392,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Municipal financial assistance (GR07), the amount to be voted is 197,246,000. Is that agreed? 243,000, I'm sorry.

Some Hon. Members: — Agreed.

The Chair: — Saskatchewan Municipal Board (GR06), the amount is 1,201,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — New Deal for Cities and Communities (GR10) in the amount of 33,321,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Provincial Secretary (GR03) in the amount of 2,090,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Capital assets, do we vote this one? Amortization is a non-voting cash expense in the amount of zero. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: —

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2008, the following sums for Government Relations, 248,464,000.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — I'll invite a member to move the motion. Thank you, Mr. Iwanchuk. Mr. Iwanchuk moves the motion. That concludes the consideration of estimates for the Government Relations.

[Vote 30 agreed to.]

The Chair: — Mr. Minister.

Hon. Mr. Van Mulligen: — Mr. Chair, I would like to thank my officials for being with me here today in consideration of estimates and on previous occasions. And I thank them for their support.

Also I want to thank the members of the committee for their questions. If there's any conclusion I come to after being here for an hour is that the time flies, and I certainly wish that at some future time there's more opportunity for this kind of constructive dialogue and exchange. I very much appreciate the good questions and the opportunity to have this discussion with them. Thank you.

The Chair: — Thank you, Mr. Minister.

The next item of business before the committee will be the consideration of Bills.

Bill No. 17 — The Miscellaneous Statutes (Municipal Collection of Other Taxes) Amendment Act, 2006

The Chair: — The Bill before the committee is Bill No. 17, the Act to amend certain statutes with respect to certain matters concerning the collection of taxes and other requisitions by municipalities on behalf of other authorities. We will then entertain the switch of officials, and then we will entertain questions on the Act.

Okay. Mr. Minister, are you and your officials ready? Okay. Mr. Minister, would you kindly introduce your officials please.

Hon. Mr. Van Mulligen: — Thank you very much, Mr. Chair. Seated beside me on my left is Maryellen Carlson who is the assistant deputy minister of the Department of Government Relations for municipal relations. Seated beside me on my immediate right is John Edwards. He is the executive director of policy development for the department. Seated beside him is Keith Comstock, the executive director of strategy and stakeholder relations. And seated behind us is Valerie Lusk of the Department of Learning, and she is the executive director of educational finance and facilities.

The Chair: — Thank you, Mr. Minister. Did you have an opening statement?

Hon. Mr. Van Mulligen: — Mr. Chair, just a few opening comments with respect to the purpose of the Bill. The purpose of the Bill is to provide legislation that will encourage municipalities to comply with the law respecting collection and payment of education property tax, and introduce new consequences for those that do not.

The amendments that are proposed to do this, they do this by adding provisions to make all municipalities liable to pay interest charges if they fail to pass on taxes collected on behalf of another taxing authority or if they fail to pay a requisition authorized by statute within the required time. They do this by prescribing property tax discount and penalty rates for rural municipalities, towns, villages, and northern municipalities in The Municipalities Act although that prescription will be for those municipalities that in fact have a discount scheme. And I will get to a House amendment to that effect in a minute.

They also do this by adding provisions to require written agreement from other taxing authorities if the municipal council proposes to cancel, reduce, defer, or refund taxes in more than one consecutive year; and to require timely notice of any such action by requiring all municipalities to transmit through a new prescribed form a monthly statement of account of school taxes collected and remitted to the school division; clarifying the legal duty of all municipal councils to meet their obligations under the municipal Acts and any other provincial statutes; and clarifying that this duty applies equally to reeves, mayors, and councillors as it does to administrators; and by adding provisions to The Municipal Revenue Sharing Act, specifically enabling the minister responsible to withhold grant payments and to set terms and conditions to be met before the withholding is discontinued.

Mr. Chair, I've also circulated a proposed House amendment to the Act or to this Bill, and this is upon further consultations

with stakeholders. The main purpose of the House amendment will be to make the application of incentives or tax discounts for the prompt payments of taxes after they are levied optional for municipalities as opposed to mandatory. And the schedule of acceptable rates would continue to be set in regulations, but the change would allow municipalities the autonomy to decide whether or not they wish to provide tax discounts for the prompt payment of taxes at all. And as we get to subsection 5(5) then we'll deal with that. And I think that's it for opening comments, Mr. Chair.

The Chair: — Thank you, Mr. Minister. Mr. Huyghebaert.

Mr. Huyghebaert: — Thank you, Mr. Chair. And to the minister, I take it that this House amendment is formally introduced now and it's going forward?

Hon. Mr. Van Mulligen: — Yes. We've circulated a House amendment and I propose that when we get to section 5, I think, sub (5), that the committee will entertain that House amendment.

Mr. Huyghebaert: — Thank you . . .

The Chair: — You're going to get a copy of the amendment.

Mr. Huyghebaert: — Yes I did.

The Chair: — So now the committee would handle discussions on the amendment if you so wish to discuss it.

Mr. Huyghebaert: — Thank you, Mr. Chair. A couple of issues, I guess, that have come forward to the questions that I have, one on the Bill is the consultation process for this Bill.

It appears that the Bill in itself came forward directly as a result of last year's tax revolt. And I gather from the content of the Bill, that's what it's designed to do is to ensure that there's not a tax revolt again because RMs [rural municipality] would be . . . or municipalities would be penalized. So my question is, who was involved in the consultation process for the development of this Bill?

Hon. Mr. Van Mulligen: — Mr. Chair, on March 30 last year at a municipal forum meeting — and this is a forum comprised of myself and the representatives from Saskatchewan Urban Municipalities Association, SUMA; Saskatchewan Association of Rural Municipalities, SARM; and also including the education sector, the Saskatchewan School Boards Association — we established a working committee consisting of provincial interests, say, from my department, also department of Education or Learning, sorry, and the local government association representatives to develop recommendations to address the issue of education property tax non-compliance.

The subcommittee met four times during the spring months and presented its final report to me and other municipal forum representatives on July 14 of last year. And the forum's instructions to the subcommittee were based on the premise that it was in the best interests of both the municipal and education sector to work collaboratively on solutions and therefore hopefully avoiding the need for government to act unilaterally.

Mr. Huyghebaert: — Thank you, Mr. Minister. That being said, then when was the decision made that an amendment was going to be necessary, and who's involved in the consultation process for the amendment?

Hon. Mr. Van Mulligen: — Those are discussions that would have taken place following the 2005 taxation year, I would think, and culminated then in the March 30, 2006 municipal forum meeting where it was agreed to establish a working committee.

Having said that, specific issues of non-compliance in terms of not forwarding education portion of property tax is an issue that has concerned the Saskatchewan School Boards Association for many years because there's always been cases of municipalities that has collected taxes, hasn't forwarded taxes; has collected taxes, hasn't fully informed the school boards about what tax it has collected and hasn't collected, in some cases municipalities deciding to withhold the payment of taxes because they decided to use the funds for other purposes. And so we're informed.

So this is an issue that's been going on for some time. But clearly it was brought to a head by the 100 or so rural municipalities that decided to withhold the taxes that they had collected, to withhold those from the school boards in question.

Mr. Huyghebaert: — I understand that. In fact I even mentioned most of that in my remarks, but a lot shorter I might add. But you didn't answer the question. If we had SUMA, SARM, and the education portion of the school boards that were involved in this Bill, then what precipitated the amendment to come forward? If all of the bodies involved . . . then what was lost? What was missing? How come this amendment comes forward now?

Hon. Mr. Van Mulligen: — You're saying the discount portion rate? This amendment to the Bill?

Mr. Huyghebaert: — Right.

Hon. Mr. Van Mulligen: — I think that's a reflection of my own meetings with municipalities and reflecting on the concerns that have been raised that . . . and in my view that a mandatory discount, a mandatory discount really wasn't necessary to deal with the issues before us. The issue wasn't municipalities that didn't have any discount policy at all. The issue was municipalities that were encouraging in some cases the late payment of the taxes collected by school boards or tax revenues and so that payments were then made to school boards late in the year.

My view, having a mandatory discount scheme wasn't the issue. The issue was if you were going to be offering some discount scheme, then those had to in fact be a progressive scheme. It shouldn't be a scheme to discourage the payment of taxes. And that's something that could then be worked out in regulation. But the issue wasn't municipalities that didn't have any discount scheme at all.

Mr. Huyghebaert: — Yes. I guess my question goes back to, we had all of the organizations involved in this. Why wasn't this brought forward in the consultation process at the very start, if you had SUMA and SARM and the school boards there

through the consultation process?

This is why my question is, we had everybody there and then all of a sudden the Bill is produced, and now we bring in an amendment to the Bill as an afterthought. And why was this not at the forefront if all of these people were consulted at the start?

Hon. Mr. Van Mulligen: — Well I can't speak for the representatives from these organizations. All I know is that a recommendation was made to me. And upon further discussions, consultations, listening to municipal representatives, I took the point of view — and I think it's agreed by the other organizations — that to have a mandatory discount scheme really wasn't the issue. The issue was that if you did have a discount scheme, then that discount scheme needed to be a progressive discount, that is, that it encouraged the early payment of taxes. And they I think agree with me that that's the central issue, and therefore that's something that can be dealt with in regulation for those municipalities that do want to have a discount scheme.

But if there are municipalities where a discount scheme would not be to their benefit, then I don't want to suggest to those municipalities through the law that they have to have a discount scheme. It may well be that there's some municipality where everyone lines up on January 1 to pay their taxes, and the discount scheme really wouldn't be in their benefit. And I don't propose to say that you should have a discount scheme.

And why this is not something that was picked up by the subcommittee on the municipal forum I can't say, but certainly I've listened to municipalities. And I take the point of view that this need not be a mandatory item.

Mr. Huyghebaert: — Well I would agree with you. And the amendment, I think, moves towards satisfying some of the municipalities. I understand, and again because of the nature of the amendment and having not had time to consult with stakeholders, it's very difficult to get a stakeholder feedback. But I appreciate you allowing me to use the amendment during the lunch hour to talk to stakeholders and explain to them, because given to me earlier it was confidential. And I held it in that vein.

So we don't have feedback from municipalities, but there is still concern out there. And some of the concern is what's going to be in regulation. And you probably can't tell me what's in regulation, but that's a concern out there yet. The amendment to the Bill moves in the direction which changes "shall" to "may" which is obviously a good move as far as municipalities.

And I think one of the concerns that I heard today is, if a municipality is opting for the discounts, are they going to be required to follow the structure that's outlined in regulation? Or do they have flexibility to establish their own discount scheme — which I know you've received letters from municipalities that outline what their discount numbers are right now — and if they'll still have that flexibility to do that?

Hon. Mr. Van Mulligen: — I think the member is right; the regulations have raised concerns. We've put out an initial proposed draft of those regulations to municipalities, have received lots of input from municipalities, and on that basis are

proposing to make changes to the regulations. So they're somewhat less prescriptive for municipalities, provide more of an incentive for municipalities. And I might say probably at the end of the day we'll reflect the experience of many municipalities because many municipalities have had very successful discount schemes in their view, and that's something that we want reflected in the regulations.

But again the exact nature — no, we haven't made a decision yet. As is our nature, I think we would be consulting after we receive lots of feedback at the municipal forum and to get the final word on this from the municipal organizations themselves.

But I very much appreciate the interest that municipalities are taking in this, the time that councils and administrators are taking to inform us of their experience with this, also commenting on their positive experience with discount schemes because that's something that I think we want to have reflected in the regulations.

Mr. Huyghebaert: — Thank you, Mr. Minister, and I agree. That's what brought this to light was there's ones that were being penalized because they had a discount scheme and other ones didn't. But the concern is still there, I think, about the numbers. And I think there's some concern out there. Again it'll probably be the devil's in the detail in the regulations about opting out or opting in and the structure.

So I'd just like to give you those thoughts from some of the municipalities because they're sitting there not knowing of course yet what all of the details are going to be. And so just to let you know that there is some concern out there about this whole process of opting in, opting out, and the structure. Just so you're aware of that.

Hon. Mr. Van Mulligen: — I appreciate the member's comments, and I'm all ears and eyes, at least to the extent of the letters that I get across my desk.

And as a general statement again, I would say to municipalities, we are taking your comments into consideration; you municipalities have the experience in Saskatchewan in putting in place some very successful discount schemes to encourage the prompt payment of taxes. That's what we want reflected in the regulations. So I thank the member for his comment and certainly thank all municipalities — if any of them are watching today — for their very constructive advice.

Mr. Huyghebaert: — Now if we can get the attention of the Chair.

The Chair: — Thank you.

Mr. Huyghebaert: — On Bill 17, Mr. Chair.

The Chair: — Thank you. We've got too many items of business going on here. With no further questions on the Bill, then we will deal with the Bill. Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 4 inclusive agreed to.]

Clause 5

The Chair: — Five has an amendment. Mr. Taylor.

Hon. Mr. Taylor: — Thank you very much. I would move to:

Amend Clause 5 of the printed Bill in subsection 272(1) of *The Municipalities Act*, as being enacted by subsection (5) of that Clause, by striking out “shall” and substituting “may”.

The Chair: — Is the amendment agreed?

Some Hon. Members: — Agreed.

The Chair: — Amendment is carried. Clause 5 as amended, is that agreed?

Some Hon. Members: — Agreed.

[Clauses 5 as amended agreed to.]

Clause 6

An Hon. Member: — Amendment.

The Chair: — Mr. Taylor.

Hon. Mr. Taylor: — Thank you. Move to:

Amend Clause 6 of the printed Bill by striking out clause (3)(a) and substituting the following:

“(a) in subsection (6) by repealing clause (a) and substituting the following:

“(a) subject to the regulations made by the minister for the purpose of this clause, allow a discount for the prompt payment of the following taxes or rates if paid before the days specified in the bylaw and before December 31 of the year in which the taxes or rates are imposed:

- (i) taxes imposed on property;
- (ii) taxes subject to assessment;
- (iii) taxes imposed on assessments for municipal, school or any other purposes or service or rental taxes;
- (iv) if the bylaw expressly provides, local improvement rates’ ”.

The Chair: — Is the amendment agreed.

Some Hon. Members: — Agreed.

The Chair: — Carried. Clause 6 as amended, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 6 as amended agreed to.]

[Clause 7 agreed to.]

Clause 8

An Hon. Member: — Amendment.

The Chair: — Mr. Taylor.

Hon. Mr. Taylor: — Move to:

Amend Clause 8 of the printed Bill in subsection (2) by striking out “January 1, 2007” and substituting “January 1, 2008”.

The Chair: — Is the amendment carried? I mean is the amendment agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Clause 8 as amended, is that agreed?

Some Hon. Members: — Agreed.

[Clause 8 as amended agreed to.]

The Chair: — Clause 9 is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Pardon me, pardon me. Clause 7 is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Clause 8 coming into force, is that agreed? As amended?

Some Hon. Members: — Agreed.

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to amend certain Statutes with respect to certain matters concerning the collecting of taxes and other requisitions by municipalities on behalf of other authorities. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — I invite a member to move it. Mr. Trew. Thank you. I’ll invite a member to move that we report the Bill with amendment.

Mr. Trew: — Mr. Chairman, I move that we report this Bill without amendment . . . with.

The Chair: — Mr. Trew has moved that the committee report the Bill with amendment.

Mr. Trew: — With amendment.

The Chair: — I'm sorry, Mr. Borgerson has subbed in for Mr. Trew, so Mr. Borgerson has moved that we report the Bill with amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Thank you. We'll get it done right yet. The next item of business before the committee is the consideration of Bill No. . . .

Mr. Trew: — Mr. Chair, if I might. I'm prepared to take my place now in the committee and I thank Mr. Borgerson for chitting for me if that's appropriate.

The Chair: — Thank you, Mr. Trew. Yes it is appropriate. Thank you for joining us.

Mr. Trew: — My pleasure.

The Chair: — Nice to have you aboard.

Bill No. 28 — The Cities Amendment Act, 2006 (No. 2)

Clause 1

The Chair: — The next item of business is the consideration of Bill No. 28, The Cities Amendment Act, 2006. Mr. Minister, if there has been no change in your officials, then we will entertain your opening statement.

Hon. Mr. Van Mulligen: — Okay and I'll try to be really brief this time, Mr. Chair.

The Chair: — Thank you. I appreciate it.

Hon. Mr. Van Mulligen: — The overall . . . Can I get some applause for saying that? The overall purpose of the Bill is to introduce changes in three areas: amendments to implement changes to the liability provisions, amendments of a policy nature that will improve the effectiveness of the Act, and amendments to refine or clarify the wording of some provisions.

I think the main changes in this Bill deal with the liability provisions where pursuant to a great deal of study by the government and representatives from the municipal sector, we are proposing changes to the liability provisions to put the cities on an equal footing with the provincial government in terms of what it is that cities are liable for, and also to make it more consistent with the liability provisions that other cities enjoy in other jurisdictions. Again this is the result of a great deal of work by various representatives from various cities, and I very much want to extend my appreciation to them for having done this very considerable piece of work.

The Chair: — Mr. Huyghebaert.

Mr. Huyghebaert: — Thank you, Mr. Chair. Mr. Minister, in your opening comments when you introduced this Bill, or the second reading comments, you had mentioned that the recommendations in this Bill met with a largely favourable response. I'm interested in knowing who was against this Bill and why?

Hon. Mr. Van Mulligen: — Mr. Chair, the committee that reviewed this matter of liability provisions prepared a report that was widely circulated not only to municipalities but also other interested parties such as trial lawyers. And I think it's fair to say that some of the comments from the legal profession were less than supportive in this particular instance. But nevertheless, upon reflection we've decided to move forward with the amendments that we have here.

Mr. Huyghebaert: — I was just curious as to what their opposition would be to this Bill. Do you have any specifics as to what their opposition is? I mean, usually there is a stance taken by somebody that's opposed to a Bill, not for the purpose of taking a stance. There's got to be a reason, and that's what I was wondering.

Hon. Mr. Van Mulligen: — Without getting into specifics, I think some of the trial lawyers would be concerned that from their point of view that to restrict the liability provisions for municipalities might mitigate against the interests of some of their clients in terms of being able to achieve damages in certain situations from municipalities and that these amendments would be foreclosing opportunities they might have had in the past to achieve damages for clients that would no longer be available under the liability provisions.

Mr. Huyghebaert: — Mr. Minister, does that relate to the fact that councils — it appears; I shouldn't say fact — it appears that councils would be given more flexibility in making their own policy when it comes to selling certain parcels of land? Is this where you're going to with that? Is that not the case?

Hon. Mr. Van Mulligen: — No, I think it would be more that if councils didn't act in certain ways — having been informed and the like — to foreclose. But let me just, without speculating, let me just say that one of the cities suggested that a threshold amount be considered under which cities could delegate the sale of small parcels of land directly without a public offering or a public notice and for less than fair market value. Their rationale is that often the city comes into possession of irregular-shaped and small parcels that they primarily sell to adjacent landowners.

They add that it is difficult to determine the fair market value of these parcels, and requiring that such sales always go to council for approval after additional public notice is unwarranted. So that doesn't deal with liability as such. The amendment committee suggested that new provisions be added that allow a council to establish by bylaw its own policy regarding such sales, and this would be consistent with the legislative principle of local councils determining local priorities and provisions in The Cities Act that allow a city to establish a policy regarding authorization and verification of non-budgeted expenditures.

I'm sorry; I was still stuck on the question of liabilities but this is clearly another Act . . . change in the Act that provides for great autonomy in terms of the sale of parcels of this category.

Mr. Huyghebaert: — No further questions, Mr. Chair.

The Chair: — Okey-doke. Seeing no further questions, then the committee is prepared to deal with the Bill. Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 33 inclusive agreed to.]

Clause 34

Hon. Mr. Taylor: — Amendment.

The Chair: — Amendment, Mr. Taylor.

Hon. Mr. Taylor: — Thank you very much. On clause 34:

Strike out Clause 34 of the printed Bill and substitute the following:

“Coming into force

34(1) Subject to subsections (2) and (3), this Act comes into force on assent.

(2) Sections 12 and 13 of this Act come into force on assent but are retroactive and are deemed to have been in force on and from January 1, 2007.

(3) Sections 5 and 17 to 26 of this Act come into force on proclamation”.

The Chair: — Okay, is the amendment agreed?

Some Hon. Members: — Agreed.

The Chair: — The amendment is carried. Clause 34 as amended. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 34 as amended agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly, enacts as follows: Bill No. 28, An Act to amend The Cities Act. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — I will invite a member to move that the Bill be reported with amendment.

Hon. Mr. Taylor: — Mr. Chair, I would so move with amendment.

The Chair: — Mr. Taylor has moved that the Bill be reported with amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Bill No. 56 — The Municipalities Amendment Act, 2007

Clause 1

The Chair: — The next item of business before the committee is the Bill No. 56, the municipal amendment Act, 2007. And, Mr. Minister, your officials have not changed; therefore do you have an opening statement?

Hon. Mr. Van Mulligen: — Again, Mr. Chair, the overall purpose of this Bill is to introduce changes in three areas: one is amendments to implement changes to the statutory liability provisions as we have just done with The Cities Act; secondly, it's policy amendments that will improve the effectiveness of the Act and keep the Act consistent with The Cities Act; and thirdly, amendments to refine or clarify the wording of some provisions.

The Chair: — Thank you, Mr. Minister. Mr. Huyghebaert.

Mr. Huyghebaert: — I just have one question. It's the changes as to who owes taxes on trailer homes when the owner of the land and the trailer are different. I'm just trying to visualize the rationale for that. And this Bill now identifies the owner of the trailer is now responsible for tax arrears assessed on that trailer. What was it before? The landowner? And was there anything that really caused this amendment to come in? Was there an issue related prior that brought this particular change in?

Hon. Mr. Van Mulligen: — Mr. Chair, it was brought to the department's attention that a city's taxation policy imposed the liability for the payment of municipal and education taxes levied on the value of owner-occupied trailer homes onto the owner of the trailer court. There were a number of issues and problems that over time led to this situation, but eventually the city came to the conclusion that this would be a practical means under the Act to collect these taxes.

The department obtained advice from Justice and indicated that the city's taxation policy could be seen as an indirect tax and therefore unconstitutional. Although both The Cities Act and the municipal Act allow the action taken by the city in this case, the levying of taxes payable by one party on a second party without any avenue for appeal on the original assessment was deemed to be unfair.

The amendment clarifies the intent of the provision that the owner of land upon which a house trailer is located is not liable for the property taxes on the trailer unless the owner of the land also owns the trailer. And because the trailer owners are assessed parties, municipalities have the authority under The Municipalities Act and The Tax Enforcement Act to undertake tax enforcement procedures, and this amendment should avoid the risk of the legislation being found unconstitutional.

Mr. Huyghebaert: — Well no further questions.

The Chair: — Well that's very nice. The committee then will consider the Bill No. 56, clause 1, short title. Is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 27 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent

of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 56, An Act to amend The Municipalities Act and to make a related amendment to another Act. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — I would invite a . . .

Mr. Trew: — Mr. Chairman, I move that the committee report this Bill without amendment.

The Chair: — Mr. Trew has moved that the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**Bill No. 57 — The Assessment Management Agency
Amendment Act, 2007**

Clause 1

The Chair: — The next item of business before the committee is the consideration of Bill No. 57, The Assessment Management and Agencies Amendment Act, 2007. Mr. Minister, seeing your officials haven't changed, if you have a brief opening statement we would receive that now.

Hon. Mr. Van Mulligen: — Thank you very much, Mr. Chair. Just briefly, the purpose of the Bill is these amendments are required to implement a new funding arrangement for the Saskatchewan Assessment Management Agency, SAMA if you will.

This new plan will ensure that the agency's funding will be sustainable for the future and provide stability for the funding stakeholders. What it attempts to do too is to align funding with the assessment cycles that are observed by SAMA. So that if they, when they have a specific assessment cycle, they know certain work needs to be done in that assessment cycle, then the funding proposed is to match that cycle.

The Chair: — Mr. Huyghebaert.

Mr. Huyghebaert: — Yes. Thank you, Mr. Chair. I have a few questions on this one. I think I just read where the funding split will be 40/30/30 — province, municipality, and school board. Is that correct?

Hon. Mr. Van Mulligen: — Yes, that is correct — 40, 30 and 30. Yes.

Mr. Huyghebaert: — I also am aware that there are some — I don't know the number — of municipalities that do not participate in SAMA. However, will they be paying for its operation even though they're not part of, are not using SAMA's resources?

Hon. Mr. Van Mulligen: — In short the answer is no; they do not have to do that.

Mr. Huyghebaert: — Okay. Thank you. Now on the 30 per

cent funding for the school divisions, I guess one could say that the school divisions will be paying that out of the foundation operating grant. That would indicate to me that it's reducing funding for school programs. So we're giving them money through a school operating grant and we are taking it away to give it to SAMA. It's like putting money in one pocket and taking it out the other. Was there consideration when this was looked at about how SAMA funding was going to be, when it was looked at, 30 per cent of SAMA funding would come from school boards?

Hon. Mr. Van Mulligen: — The member is right that at this point the funding for school boards to support SAMA does come out of their foundation operating grants. But in the long run, we see this as a charge by school boards to come out of whatever taxes they collect and revenues they collect. We see school boards also having a very keen interest in the assessment system, and we have changed the proposed funding split to accommodate that, to reflect their interest in this issue.

I think traditionally the funding split was 40 per cent provincial, 60 per cent municipal approximately. But again we want to ensure that, given the school boards' interests, that then is also reflected in the funding formula.

The Saskatchewan School Boards Association is supportive of the changes proposed to the funding. The question of governance to follow the funding is still an issue that we have to work out between the municipal organizations and school boards association.

But again, you know, the other organizations, I think SUMA in particular, are saying that there should be a different split altogether. But the split that we traditionally have had in funding that is 40 per cent provincial, 60 per cent local government. And now local government split into two is based on a principle of what it is that SAMA is responsible for.

Certainly SAMA has responsibility for a province-wide assessment system that benefits us and benefits the province. But clearly also SAMA has responsibilities and contracts or provides assessment services to municipalities, and we, based on experience, would say that reflects about 60 per cent of the cost. And as we mentioned, where municipalities do not use SAMA's services, they would be paying something akin to that value for the services that they employ. The major difference in this case is that we are splitting the costs between the two local government entities.

Mr. Huyghebaert: — I know that SUMA had offered to have a 60 per cent, 20 per cent, 20 per cent and SARM a 50, 25, 25. How much consideration was given, and how much negotiation took place? Because going 40, 30, 30 looks like more of an off-load from the provincial government to the municipalities, where if one of the others would have been entertained, it would have been less of an off-load.

So my question is, was there negotiations on these other proposals, or was it more of a direction that this is exactly what we're going to do?

Hon. Mr. Van Mulligen: — The formula that we put forward of 40 per cent provincial, 60 per cent local government reflects

previous history in terms of what each of the partners have brought to funding for SAMA. But again, based on our analysis of the costs of SAMA, we are right to ensure that the provincial government provides at least 40 per cent of the funding, but that the other 60 per cent should come from local governments.

As you yourself in your opening question referenced, what happens to municipalities that don't provide or don't contract with SAMA to provide the assessment services but have another party to do those assessment services, well they have a cost for that. And when we look at those costs relative to municipalities that do receive services from SAMA, our sense is that 60 per cent is a reasonable charge then for local governments and in this case, split between school boards and municipalities.

Mr. Huyghebaert: — I guess that's one for debate from the municipalities and the school divisions. I guess I have no more further questions, Mr. Chair.

The Chair: — Are you finished? No further questions? Okay. Then the committee will deal with Bill No. 57. Short title, clause 1, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 11 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 57, An Act to amend The Assessment Management Agency Act. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Mr. Trew.

Mr. Trew: — I move that the committee report this Bill without amendment.

The Chair: — Mr. Trew has moved the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Bill No. 58 — The Municipal Revenue Sharing Amendment Act, 2007

Clause 1

The Chair: — The next item of business before the committee is the consideration of Bill No. 58, The Municipal Revenue Sharing Amendment Act, 2007. Mr. Minister, your officials have not changed, so do you have a brief opening statement?

Hon. Mr. Van Mulligen: — Yes, Mr. Chair. The amendments are necessary to implement the 2007-08 budgetary decisions to increase the total amount of revenue sharing available to municipalities by 31 per cent. Urban municipalities will receive

an increase of \$15.9 million and the allocation to rural municipalities will increase by \$11.6 million.

The amendments also determine the split in funding within the urban pool between cities, towns, villages, and resort villages.

The Chair: — Thank you, Mr. Minister. Mr. Huyghebaert.

Mr. Huyghebaert: — Thank you, Mr. Chair. The amendment, the minister has mentioned an amendment. Is that in addition to what . . . I have cities receiving 46.8 million, and they're receiving an additional 15.9?

Hon. Mr. Van Mulligen: — Mr. Chair, if I understand the question correctly, the urban municipalities will receive \$15.9 million, and that's for cities, towns, villages — cities, 11.7; towns, villages, resort villages, \$4.3 million. And that's the increase this year, as opposed to when you take the total pool of \$127.3 million. Cities will now receive \$46.8 million, including \$11.7 million increase; and towns, villages and resort villages will receive \$20.6 million, including 4.3. So the answer's in short, I think, yes, if I understand your question correctly.

Mr. Huyghebaert: — Mr. Minister, what kind of a formula is used to determine the revenue-sharing pool?

Hon. Mr. Van Mulligen: — There is no formula. It's a question of resources that the government has available to provide for revenue sharing. I might say that by way of history the revenue sharing in the 1980s peaked at about \$120 million. We cut significantly in the mid-1990s to reflect our own fiscal challenges as a government. And then also to reflect the off-loading by the federal government, we cut that \$120 million pool to \$55 million.

In the last five, six years we've been working hard to build this pool back up again. And there have been a series of what I would call ad hoc increases — some years 10 million, some years 12 million, and this year 30 million. The level of increases, I think, far exceed the level of increases in any other entity of government.

We appreciate that the cuts that were made in the 1990s were a challenge for municipalities. And as resources have become available, not only in terms of ongoing funding in revenue sharing but also one-time enhancements such as we did last year with surplus funds, we appreciate the challenge and might say we look forward to working with municipalities in the course of the coming months to get a better idea as to what kind of pool of capital should be made available to municipalities in the long run, and how the integrity of that pool might be maintained so that funding decisions then move away from ad hoc budgetary decisions by government, but that municipalities do have a dependable, predictable stream of revenue available to them.

Mr. Huyghebaert: — Well that was going to be my question because you stated there is no formula based on this and it's very difficult to imagine how you come up with these figures with no formula — 48.6 million total, 20.62 without a formula. And it just seems odd. How do you grab those figures out of thin air if there's not a formula being used?

Hon. Mr. Van Mulligen: — No, there is no formula in terms of the total increase for the revenue-sharing pool. There's certainly traditional splits between the cities on the one hand, towns and villages, rural municipalities on the other hand, that we try to observe as much as possible, although some years there might be some variation in that. But in terms of the total increase to the revenue-sharing pool, yes there hasn't been a formula as such. As we've found the resources to put back in to this pool we've done that, recognizing that we made major cuts to this program in the 1990s. And again, I'm not apologizing for that, simply indicating that was the case in the 1990s as we sought to deal with our own fiscal challenges as a provincial government.

Mr. Huyghebaert: — Well I understand in the last few years, at least the last few, there is annual ad hoc payments and it's very difficult for the municipalities of course because they've got no long-term planning capability. And, you know, where I have been on this is looking at a formula and a formula that would tie in with own-source revenues.

We know that in tough financial times the municipalities took a substantial hit. You've explained that. And I suppose one could even say it was predictable at that time, because if the finances of the province go down then where is the money going to come from, so everybody tightens their belt. But we've seen over the last few years, according to the Finance ministers of the last number of years, the finances have been pretty rosy in this province and yet there's only ad hoc payments out to the municipalities.

Now if you look at it from the municipal perspective, they sit every year and have to basically come hat in hand saying, how much am I going to get this year? So my question is: is your department looking at a long-term revenue-sharing plan for municipalities that could be tied to own-source revenues?

Hon. Mr. Van Mulligen: — The answer is yes, we are looking at a long-term plan so again there can be a predictable stream of revenues for municipalities — no, not necessarily tied to own-source revenues.

The issue is, what pool of capital ultimately should there be to distribute to municipalities? Should it be 127.3 million as it is this year, or should it be some larger sum? And once you arrive at what that sum should be, the question then is, how do you maintain the integrity of that amount of capital? So is that something then that needs to be adjusted on an annual basis by say some municipal inflation rate? Or is it something that, as some have suggested, should rise up and down with resource revenues in the province?

Those are questions that we're still sorting through in our discussions with municipalities, and look forward in the coming months to bring this to a head so that we've got a better idea of where it is that we can move forward on this together.

Mr. Huyghebaert: — Is there a timetable to have a long-term plan in place?

Hon. Mr. Van Mulligen: — Yes. I've indicated that I would like again by the end of the summer to bring this to some conclusion so that we can then in preparation for the next budget have some clear indication of where is it we can go to

help inform us in terms of budget decisions.

Mr. Huyghebaert: — No further questions, Mr. Chair.

The Chair: — Seeing no further questions, the committee will deal with the Bill. Clause 1, short title. Is that agreed?

[Clause 1 agreed to.]

[Clauses 2 and 3 agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 58, An Act to amend The Municipal Revenue Sharing Act. Is that agreed? Mr. Trew

Mr. Trew: — Mr. Chairman, I move that the committee report this Bill without amendment.

The Chair: — Mr. Trew's moved the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — The Bill is carried.

That concludes the business before the committee for this afternoon's session. The committee will now stand adjourned until 7 o'clock this evening. Mr. Minister.

Hon. Mr. Van Mulligen: — Mr. Chair, if I might, just prior to adjournment, thank the committee members for their support for these Bills, thank them for their questions, and their interests in municipal governance. I know that municipalities will very much appreciate the interest that members of the Legislative Assembly are taking in their affairs. So thank you very much.

The Chair: — Thank you, Mr. Minister. The committee will now stand adjourned until 7 o'clock this evening.

[The committee recessed for a period of time.]

Bill No. 9 — The Saskatchewan Human Rights Code Amendment Act, 2006

Clause 1

The Chair: — We will reconvene the Standing Committee of Intergovernmental Affairs and Infrastructure. The item before the committee is the consideration of Bill No. 9, The Saskatchewan Human Rights Code Amendment Act, 2006. I'll recognize the minister, but before I do that, I would ask the minister to remind his officials that if and when they are responding to a question that they would please identify themselves first for Hansard. Mr. Minister.

Hon. Mr. Quennell: — Thank you, Mr. Chair. I think my officials heard you. If I can jump in quickly enough, I will remind them. To my right is Madeleine Robertson, Crown counsel, legislative services branch; to my immediate left is Ross Macnab, Crown counsel, Saskatchewan Justice, civil law; and to the left of Mr. Macnab is Tony Koschinsky, Crown counsel, Saskatchewan Justice, civil law. I have a brief opening

statement in respect to the Bill.

The Chair: — Opening statement.

Hon. Mr. Quennell: — Thank you, Mr. Chair. Currently policies that require employees to retire at age 65 are permitted by The Saskatchewan Human Rights Code. This Bill removes from the Code that exemption. Employers will no longer be able to require employees to quit solely because they have reached 65 years of age. As a result of this Bill a number of other Acts and regulations will be amended to remove or prohibit mandatory retirement policies. These include The Public Employees Pension Plan Act, The Municipal Employees' Pension Act, The Superannuation (Supplementary Provisions) Act, and The Public Service Regulations, 1999.

The Code currently includes an exception that permits distinctions based on age in Acts and regulations in relation to services public. As a result of this exception the requirement that a person must be of 19 years of age to purchase alcohol does not contravene the Code. There is also an exception in the Code for a regulation or law that allows age distinction in the purchase of property.

It's proposed to repeal these provisions and include a general statement that age distinctions in any way, in any Act or regulation, do not contravene the Code with respect to any area covered by the Code, that is with respect to employment, accommodation, and services to the public. For example, The Workers' Compensation Act includes a provision for wage loss benefits to cease at 65 years. And another provision in that Act provides for limited payments to workers over 65. The exception in the Code will apply to maintain these age distinctions in the workers' compensation legislation.

Almost every jurisdiction allows distinctions in employment on the basis of age for the operation of a bona fide retirement, superannuation, or pension plan, or to a bona fide group or employee insurance plan. Saskatchewan's Code includes such provisions. The exception for employee pension plans and disability plans allows the plans to include actuarial-based criteria for the purposes of contributions and payouts.

An existing bona fide occupational qualification exception recognizes that in certain occupations advancing age relates to the ability to perform the duties required for the job. This necessary exception will continue to be included in the Code. In addition, an amendment ensures that preferential rates and fees for services and facilities that are available to older adults are protected in the Code.

Elimination of mandatory retirement is a significant change in the employee-employer relationship. The government has heard from employers who have indicated that they need some time to determine the effect this change will have on hiring practices and employee benefits. They must have time to make the necessary changes in human resource policies. It is for this reason that in Ontario and Newfoundland, employers had one year to make these changes after Royal Assent. Nova Scotia's recently introduced legislation also includes a one-year transitional provision.

The government originally introduced the Bill in November

2006. Given the stated support of the opposition at the time, we expected that the legislation would pass quickly through the House and be given Royal Assent last fall. Instead the opposition repeatedly adjourned debate and the Bill was only moved into committee on April 3, 2007.

The current Bill provides that the change will come into effect one year from Royal Assent. Given the amount of time this Bill has been in front of the public, however, the government believes that a one-year period is no longer necessary. Therefore we are proposing a House amendment to this Bill to ensure that the legislation comes into effect when we originally intended, and in the timeframe that both employees and employers anticipated when it was first introduced. That amendment will provide that the changes will come into force six months from Royal Assent rather than one year from Royal Assent. This recognizes that employers and unions have already had six months to prepare for and phase in the necessary changes. At the same time, it recognizes that employers and unions expected the changes to take effect in late 2007 and that they may require more time to complete this work.

I want to emphasize at this point that nothing in this Bill or in the existing Code provisions prevents employers and unions from reaching an agreement with employees who would otherwise be forced to retire between now and the time these changes will come into effect. The government has already made provisions to accommodate employees in the public service. There is nothing which prevents other employers and unions from doing the same.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — Mr. Minister, do you have anything that was said in the House or anything that indicated that the opposition party was opposed to this Bill?

Hon. Mr. Quennell: — I haven't reviewed the record so I can't say.

Mr. Morgan: — You're not aware of anything. Is that fair?

Hon. Mr. Quennell: — No, I'm not aware of any opposition to the Bill. I was a little surprised at the delay caused to the Bill but we have a solution for that.

Mr. Morgan: — What would that delay be and what was said in the House that indicated that this side of the House wanted to in any way delay this Bill?

Hon. Mr. Quennell: — The delay was caused by the adjournment of the Bill, particularly the adjournment of the Bill to the end of the fall sitting, and then continued adjournment of the Bill by the opposition in the spring.

Mr. Morgan: — This Bill, Minister, was not put forward as one of the designated Bills that you wanted to have passed earlier, your House Leader did not indicate that this was a Bill. And you've gone around this province for the last six months accusing the opposition of holding up this Bill. And I'd like to give you the opportunity right now to retract that and apologize.

Hon. Mr. Quennell: — Well I haven't travelled around the

province talking about this Bill. Secondly, the fact that this wasn't a specified Bill does not require the opposition to delay it being passed. And when people call my office and ask why the Bill hasn't been passed, they are told it's because the opposition has not moved it to committee, which is the truth and which I will not retract.

Mr. Morgan: — And I suppose, Minister, you didn't bother telling people that this Bill was initially introduced as going to be an opposition Bill until you saw it on the order paper and decided to introduce it as a government Bill. You're aware of that as well, are you?

Hon. Mr. Quennell: — Well no, that's not true either. I can't recall exactly when we brought notice of the Bill but I'm not aware that there was a private member's Bill at the time.

Mr. Morgan: — Well, Minister, you might do well to check the Sask Party website. There's a lot of other good information for you there.

And I'd like to put on record right now for you and for the citizens of this province that this was initially a Saskatchewan Party initiative. We introduced it, we support this initiative, and we support people in this province past the age of 65. You should be aware of it and you should not be about the province saying anything different. I'm prepared to vote on this Bill now.

Hon. Mr. Quennell: — I'm prepared to respond to the last comment. First of all, who knows what's on the Saskatchewan Party website from time to time? Things come and go, as they turn out — and sometimes at the request of others and sometimes when people realize that was inappropriate material. In any case, I did not travel around and about the province. Mr. Morgan can take objection to what happened, but when people who were concerned about the delay of the Bill called the office and said, why has this Bill not been passed; the truth was told to them, which was that the opposition has decided to adjourn debate and not move it to a committee. That's the truth, and that's all that was ever said.

Mr. Morgan: — Your House Leader sets the agenda and your House Leader identifies what are the priority Bills. And you didn't tell any of those callers that your House Leader did not include this as a priority Bill. Not one of those callers was told that this was not a priority Bill by you or by anyone in your office.

The Chair: — Order.

Hon. Mr. Quennell: — Mr. Chair, I'm assuming from Mr. Morgan's remarks that he has intensively interviewed everybody that called my office, which is a remarkable achievement. I don't even know how we would know who all those peoples are and what every single one of them was told and not told. Mr. Chair, this was not a specified Bill. That did not mean that it had to be adjourned. That was an option.

Mr. Morgan: — Mr. Minister, you're well aware your side of the House sets the agenda; your side of the House identifies the priority Bills. We accept those priorities. We work with those priorities. Those are the Bills we passed last fall. This is one of the ones that we are going to see to it that gets passed this fall.

And I just want you to know that we take strong exception with anybody indicating that we were in any way responsible for delay for this Bill.

We will, with every Bill, see to it that it gets proper scrutiny, that it gets appropriate discussion. And nobody at any time on this side of the House opposed or did anything to delay this Bill. So I want that on the record right now. Now if you're finished, Minister, if you want to debate it more, we can burn off the clock tonight. We can come back another night later on and finish the estimates. I have all night. I don't know whether you do or not.

Hon. Mr. Quennell: — If Mr. Morgan wants me to send the officials home because he wants to have the last word, then he should say so now. But it was the opposition that adjourned this Bill repeatedly. They weren't required to do so. They had the ability to do so and they had the ability not to do so and they chose to do so.

And that is the reason for the amendment. We did not anticipate that they would adjourn this Bill into the spring. We did not anticipate, and I told the press, I told the press that I'd expected this Bill to take effect in December of 2008 because I expected Royal Assent in December of 2007.

Mr. Morgan: — You anticipated, Minister. Then you should have a discussion with Mr. Hagel, your House Leader, so that you know because you as the Justice minister should know what he identifies as a priority Bill. If he doesn't list it as a priority Bill, then the others things that he lists as a priority Bill are the things that we will debate. Those are the things we will discuss, and those are the things that will ultimately get passed.

Your House has the majority. You are aware that your side of the House controls what goes on here. You have 30 members over there. If you want to pass something, you can pass it. You don't have to consent to the adjournment of debate. Everybody consented to the adjournment of debate. This Bill went through in the ordinary and usual course. There was nothing from your side of the House, from your House Leader, from anyone else that indicated this was a priority Bill that had to go out any earlier than this one.

So that's where it stands right now. We're prepared to deal with this Bill tonight so that it can come back into the House and get voted off this session, if you're willing to do that.

Hon. Mr. Quennell: — Well obviously we've been waiting to pass this Bill for six months, so obviously we're willing to pass it tonight. We've been waiting to do it for quite awhile. If Mr. Morgan will withdraw his demand that I retract my comments or my office's comments to people as to why this Bill wasn't passed, I certainly appreciate that the opposition was well within their rights to adjourn debate on this Bill and adjourn debate on this Bill till this spring. They were well within their rights to do that. I recognize that. There's no dispute about that, Mr. Chair.

Mr. Morgan: — We're ready to vote.

The Chair: — No further questions on this Bill? Then the committee will deal with the Bill at hand. Clause 1 short title. Is

that agreed?

[Clause 1 agreed to.]

[Clauses 2 to 9 inclusive agreed to.]

Clause 10

Mr. Iwanchuk: — Yes, I'd like to propose an amendment.

The Chair: — Amendment. Mr. Iwanchuk.

Mr. Iwanchuk: — Yes, it reads:

Strike out Clause 10 of printed Bill and substitute the following:

“Coming into force

10 This Act comes into force six months after the date on which this Act receives assent”.

The Chair: — Is the amendment agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Clause 10 as amended, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 10 as amended agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to amend The Saskatchewan Human Rights Code and to make consequential amendments to other Acts and to The Public Service Regulations, 1999. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Mr. Iwanchuk, would you move that the committee report the Bill with amendments.

Mr. Iwanchuk: — I move the Bill with amendments.

The Chair: — It has been moved that the committee report the Bill with amendments. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

General Revenue Fund Justice Vote 3

Subvote (JU01)

The Chair: — The next item of business before the committee will be the consideration of estimates for the Department of Justice. The minister will get, I think, some new officials.

Mr. Minister, the item of business before the committee is the consideration of estimates for the Department of Justice, vote no. 3, which can be found on page 107 of the Estimates book. Mr. Minister, if you'd so kindly introduce your officials.

Hon. Mr. Quennell: — At the table with me and to my immediate left is Doug Moen, deputy minister and deputy attorney general. And to his left is Kylie Head, executive assistant to the deputy minister of Justice.

Behind us are seated Keith Laxdal, associate deputy minister, finance and administration division; Rod Crook, assistant deputy minister, courts and civil justice; Susan Amrud, executive director, public law division; Murray Brown, executive director, public prosecutions; Betty Ann Pottruff, executive director, policy, planning, and evaluation; Gerald Tegart, executive director, civil law division; Jan Turner, executive director, community justice division; Murray Sawatsky, executive director, law enforcement services; Linda Bogard, executive director, court services; Don McKillop, crown counsel, civil law; and Gord Sisson, director, administrative services.

The Chair: — Thank you, Mr. Minister. Once again, I'll remind your officials if they're called upon to answer any questions would they please identify themselves before they answer the question for Hansard. Do you have anything, any opening statement you wish, Mr. Minister?

Hon. Mr. Quennell: — No. I think this is the third day of estimates, and I gave them the opening statement on the first day.

The Chair: — Thank you. And they were all relieved to hear that. Mr. Morgan.

Mr. Morgan: — Thank you, Mr. Chair. According to the Statistics Canada . . . and this is a recurring theme and probably one that your officials have been able to anticipate. Statistics Canada showed in 1999 that there was 1,930 police officers in Saskatchewan. Statistics Canada shows that in 2006 there was 2,030 police officers in Canada. You had indicated last year that you don't accept or agree with Statistics Canada numbers. Do you have a number for either 1999 or 2006 as to the number of police officers in this province?

Hon. Mr. Quennell: — Okay the Statistics Canada numbers that we have for the year 2000 — so that's the budget year of what's called the police promise — is 1,864. The number — same organization, same calculation — 2006 is 2,033. That's 169 difference.

This data does not include the 10 safer communities and neighbourhoods positions. It does not include the 17 RCMP [Royal Canadian Mounted Police] positions, mid-year 2006-2007. It does not include the 10 municipal positions, mid-year 2006-2007.

Nor does it take into account the five municipal positions to deal with street-level sexual exploitation; the one RCMP position to work closely with prosecutors and special agents team to identify long-term offender or dangerous offender cases, that's the RCMP position added to the national flagging

system; the two RCMP positions to increase the capacity of the RCMP tech-crimes unit to support investigation of crimes such as Internet luring and the distribution of child pornography.

So that's 45 positions in total including positions in the 2007-2008 funding which takes one to the number of 214, but that excludes officers on a long-term leave — education, disability, secondment — out who are not being paid by the police services annual budget.

And the number that we believe is correct, when you take into consideration those officers, is 233. Now out of the 233 officers since the police promise are 54 municipal positions; one gang suppression; two missing persons; five child sexual exploitation; for 62 municipal positions; 161 RCMP positions; 10 SCAN positions, safer communities and neighbourhoods positions. The 62, the 161 and the 10 add up to the 233 positions.

Now I don't think there's any dispute about the municipal positions. You can go police chief by police chief and you can count them. I also don't think there's any dispute about the safer community and neighbourhoods positions. I don't think there's any dispute between Mr. Morgan and I about those.

The dispute, I think every year that we've had this dispute, has been about the RCMP officers, and whether they're there or not, Mr. Chair. I would like to read into the record a letter I received on March 14, 2007, which was apparently sent to me on March 5, 2007. I'm just reading from the letter addressed to:

The Honourable Frank Quennell, Minister of Justice and Attorney General of Saskatchewan

... your evaluation of the Government of Saskatchewan's commitment to provincial policing is indeed accurate. The RCMP has confirmed that, since 1999, your Government has increased funding to the RCMP by nearly \$34 million and, as such, 161 new positions have been assigned to areas such as contract policing, First Nations policing, criminal intelligence, drug enforcement and education in Saskatchewan. In addition, I understand that other resources were established to deal with other priorities including youth, organized crime, historical case investigations and the Violent Crime Linkage Analysis Section.

On behalf of the Government of Canada, I want to take this opportunity to state my appreciation to the Government of Saskatchewan, and in particular your Department, for your commitment to ensuring that the RCMP in Saskatchewan has sufficient resources to provide quality policing to the residents of Saskatchewan.

Yours [truly] . . .

Stockwell Day
Minister of Public Safety

Mr. Morgan: — I have this vision in my mind, Minister — and I don't know whether you ever get stopped for speeding or not, and I don't wish it on you — but that you would get stopped for speeding somewhere by Davidson and the RCMP officer would

up to the window and ask you if you knew how fast you were going. And you would say, well I slowed down by about 15 kilometres an hour when I went through Craik, but then I sped up a bit, then I slowed down again, then I had gasoline . . . I did this. And I think what the officer wants to hear is a number if you knew how fast you were going.

And I think that's what the citizens of Saskatchewan would like to know, is what your total number is. And if there's a difference between you and the RCMP, I think it would be quite acceptable for you to say, the RCMP say 680 and I believe it's such-and-such.

My next question after that is going to be, show us where they are detachment by detachment or municipality by municipality. But we've never got to that point. We've gone through estimates three or four times, and we've gone through a variety of other things, and we have yet to get an answer as to the total number of police officers. And I want to tell you now, we're going to keep asking it until the answer is there.

It's something the people of this province should know, is what number of police officers they're paying for by the province, what number they're paying for by their federal taxes, and what the total number of police officers are available in this province, rather than hearing that we've added some for this.

And I'm not disputing that you've added some in a number of different places. But we don't know where the take-aways are. So anyway I'll leave it at that. I don't want to challenge the numbers that you've got because I just don't think we know what they are.

Hon. Mr. Quennell: — I will again read just one line from the letter. Maybe I read it too quickly for Mr. Morgan. Mr. Day says to me:

The RCMP has confirmed that since 1999 your government has increased funding to the RCMP by nearly \$34 million, and as such, 161 new positions have been assigned to areas such as . . .

And then he goes on to list the areas that the RCMP has confirmed we have funded 161 new positions for. There is no disagreement between me, my department, and any police chief or the leadership of the RCMP in this province as to the number of police officers that had been added.

As a matter of fact, there's no disagreement between me and the federal Minister of Public Safety. And perhaps Mr. Morgan could take the issue up with him.

Mr. Morgan: — You know, it's abundantly clear you just plain don't get the question that's being asked. The question isn't how much you've added. The question is, how many are there? And that's a number, just a number — one number. And I haven't been able to get an answer that is one number in years, an aggregate number of what you believe they are.

And if you can't give it, I can accept that but . . . because the next question is going to be give me a spreadsheet that shows which detachments they are and which municipalities they are.

Hon. Mr. Quennell: — There are approximately 2,136 police officers working in Saskatchewan. Nine hundred and seventeen are municipal police officers working in 14 municipalities. The RCMP has approximately 1,219 funded officers positions responsible for municipal, provincial, First Nations, and federal policing duties.

Now do we now have no debate about the fact that more than 200 police officers have been added since the 1999 commitment because the municipal police chiefs accept that? The Federation of Saskatchewan Police Officers accept that. And the RCMP have told their minister that, who has confirmed it in writing to me and I have read it into the record.

Mr. Morgan: — Minister, I didn't hear a number in there. I heard that they talked about some new positions. If you can give us or your officials can give us the spreadsheet showing how many police officers were there in 1999, how many police officers are there in 2006 — detachment by detachment, city by city — and if you want to add an extra line for the SCAN officers, I'm fine with that. But I'd really like to know a total number.

Hon. Mr. Quennell: — Mr. Chair, we can send a spreadsheet to Mr. Morgan setting out the detail that he's asking for, and I think we've done it before but we can do it again.

There are approximately 2,136 police officers working in Saskatchewan. Nine hundred and seventeen are municipal police officers working in 14 municipalities.

Maybe I should slow down. He doesn't hear the numbers. The RCMP has approximately 1,219 funded officer positions responsible for municipal, provincial, First Nations, and federal policing duties. And I will read the one line from the letter again, Mr. Chair, because Mr. Morgan says he didn't hear the number:

The RCMP has confirmed that, since 1999, your Government has increased funding to the RCMP by nearly \$34 million and, as such, 161 new positions have been assigned to areas such as . . .

And then Minister Day lists the areas, not all of them but he gives examples. Then he says, "On behalf of the Government of Canada . . ." and I quote — and this is having been briefed by the RCMP. And at the beginning of the letter he apologizes for taking so long to get back to me, but he wanted to consult with the RCMP before he did. So after consulting with the RCMP, Mr. Day says:

On behalf of the Government of Canada, I want to take this opportunity to state my appreciation to the Government of Saskatchewan, and in particular your Department, for your commitment to ensuring that the RCMP in Saskatchewan has sufficient resources to provide quality policing to the residents of Saskatchewan.

Appreciate that particular quote doesn't contain a number, but I think it expressed a valuable evaluation of what has been done in this province over the last few years in increasing resources for policing.

Mr. Morgan: — If the minister wants to leave it on the record without going further, that Stockwell Day has given him his endorsement, he doesn't want to deal with the numbers any further than that and rely on the Stockwell Day endorsement going into the next election, this may well be the last budget estimates before . . . I'm prepared to leave it at that. Thank you.

Hon. Mr. Quennell: — Mr. Chair, if Mr. Morgan is saying that he didn't hear the numbers, I will give them again. There are approximately 2,136 police officers working in Saskatchewan. Nine hundred and seventeen are municipal police officers working in 14 municipalities. The RCMP has approximately 1,219 funded officer positions responsible for municipal, provincial, First Nations, and federal policing duties.

Minister Day specifically refers to the 161 new positions in the RCMP. Now did Mr. Morgan hear the numbers that time?

Mr. Morgan: — Mr. Chair, I don't want to hear the new ones. I was looking for the totals. If the minister's office can provide us with that spreadsheet, and then we can take it up with Statistics Canada why their numbers are different. But we'd like to have the spreadsheet that would go back to 1999.

Hon. Mr. Quennell: — Mr. Chair, the 2,136 police officers is a total. The 917 municipal . . . [inaudible interjection] . . . Mr. Chair, do I have the floor?

The Chair: — Mr. Minister.

Hon. Mr. Quennell: — The 2,136 police officers is a total. The 917 police officers, municipal police officers, is a total. The 1,219 funded officers is a total. Now Mr. Morgan has raised every year since he and I have both been here where we are with the 200 officers. Now he doesn't care any more. Now he wants something else. We'll provide it to him.

Mr. Morgan: — Mr. Chair, if the number is 2,136, I'm pleased that we have a number if in fact that's what the number is. And if he tells us that's an all-inclusive number, I'm prepared to accept that that's what his department officials have done. We'd love to look at the spreadsheet and see that that's what it is. But that's a good start if that's in fact where we're at. So thank you.

I would like to raise some questions about traffic court in this province, and I'm wondering if there is administrative changes being contemplated in how the traffic court justices are done with. Is it changed to using an administrative process where people meet in a hearing room or whether things will be done in an open court setting?

Mr. Crook: — The Provincial Court and the office of the Chief Judge are reviewing the issue of traffic court and what they might want to do, but there have been no decisions made about any different approach than is currently in place.

Mr. Morgan: — I understand there has been some changes made that at one time most first appearances were heard in a conference room or a meeting room, and now there was a change later on that all of the first appearances were done in an open courtroom setting. And I'm told that there was now yet another change that was going to go back to the initial conference room style. Is that what's being discussed right

now?

Mr. Crook: — No. That isn't what's being discussed. A few years ago there was a change where at one time there was both a hearing room and the courtroom where the trials took place. That format was changed so that in effect there was a docket part of the day in the courtroom and followed by the trials. And it was a more efficient way of handling the business.

Mr. Morgan: — And so your intention is it will stay in open court now?

Mr. Crook: — As I say, there have been no decisions to anything, but there is a review of the Justice of the Peace program, generally, which includes traffic court that the Chief Judge's office is involved in, and at this point there aren't any conclusions that have come from that process. They're just in there having some deliberations within the court.

Mr. Morgan: — How are the traffic justices selected?

Mr. Crook: — The traffic justices are order in council appointments for seven-year terms. The two current justices have been in place for some time, and I don't have the information with me as to their original date of appointment and what the circumstances were at that time. But those appointments have been renewed in the past. More recently there was a traffic justice in Saskatoon whose term expired, and that appointment was, at the request of the court, not renewed pending a review of what changes they may or may not want to make in traffic court.

Mr. Morgan: — Who is filling that position now? My question is, who is filling the position now?

Mr. Crook: — There are a number of senior presiding Justices of the Peace who also work in traffic court, and are assigned by the Chief Judge to sit in traffic court.

Mr. Morgan: — You have a lady in there, Kim Dmytryshyn, that's doing it on a part-time basis, or is that a full-time appointee?

Mr. Crook: — Ms. Dmytryshyn is a senior presiding Justice of the Peace and when there was a full-time traffic justice, she would sit in traffic court as backup. Since the full-time traffic justice is no longer in place, she has been assigned by the Chief Judge's office to work in traffic court. I again don't have the details as to whether that is everyday in traffic court or, you know, four days a week.

I know that there are a number of individuals that they have that are senior presiding Justices of the Peace and that can be scheduled. And of course scheduling is a prerogative of the Chief Judge in terms of who is scheduled in court. But Ms. Dmytryshyn certainly would be being scheduled by the Chief Judge in traffic court now.

Mr. Morgan: — These people would be former RCMP officers, retired. Is that what most of them are? Is that what their past history has been or . . .

Mr. Crook: — I think there's a variety of backgrounds. I don't

have the particular backgrounds of the senior presiding Justices of the Peace with me. But I do know that certainly in my time in the department over the last several years, with Justices of the Peace generally, I mean, we're seeing a significant amount of interest in those types of positions from retired people, from people that come from all different types of backgrounds with some very good skill sets.

The Justice of the Peace positions are advertised. Interviews are done by a panel that includes the supervising Justice of the Peace and often a judge, and recommendations are made.

So you know I think it would be fair to say that, you know, we are getting some pretty good people who are interested in doing this as a public service aspect to it, along with obviously some ability to earn some income.

Mr. Morgan: — What are Ms. Dmytryshyn's qualifications? Can you tell us? And the reason I ask, Mr. Crook, is I know that she had ran for either an NDP nomination or as an NDP candidate. So I don't know whether there is, I'm assuming there was other qualifications. Perhaps you can just tell us.

Hon. Mr. Quennell: — Mr. Chair, we're not sure at the table at this moment when Ms. Dmytryshyn was first appointed a Justice of the Peace, but it would have been some period of time ago. And it proceeds Mr. Crook's occupation of his current position. The best we can do in respect to her biography is undertake to provide what was provided to the interviewing panel when she was first appointed. And since then she'll have served as a bylaw judge, bylaw Justice of the Peace, and as a traffic Justice of the Peace for a number years and would have built up a considerable amount of experience in those positions.

If Mr. Morgan's making an assumption about how the traffic court might be reorganized and who might hold what position after that, those might be conclusions or assumptions that are premature. There's a review underway now. I'd be very interested to know if Mr. Morgan wants the credentials and qualifications of anybody else serving in that capacity, or if he's only interested in Ms. Dmytryshyn, which is interesting in itself.

Mr. Morgan: — Mr. Chair, I want to make it clear; I no way want to impugn her integrity or her ability on the bench. And I've heard nothing to indicate anything otherwise. It was a question was posed, and I've asked if there was good reason for the appointment, I'm fine with that and we'll wait the response. And certainly I'm assuming that she is performing well; otherwise it wouldn't have been continued.

I would like to ask about Dave Maki, another traffic court justice, I understand was paid severance on . . . either at the end of his term or whether he was paid severance as a result of leaving before the end of his term.

Hon. Mr. Quennell: — Just so that the record is clear and full, Mr. Chair, the current assignment of Ms. Dmytryshyn was made by the Chief Judge of the provincial court and the supervising Justice of the Peace. It wasn't made by my office or my department. The Chief Judge and the supervising Justice of the Peace believed she was qualified and the appropriate person to serve in and undertake the current work that she's doing.

Now having been given that assurance, does Mr. Morgan still want to conduct an inquiry into Ms. Dmytryshyn?

Mr. Morgan: — The minister had indicated earlier that these were order in council appointments. Now he's indicating that they're appointments by the Chief Judge, so I would like the background. But I would like to ask the question about why severance was paid to Mr. Maki.

Hon. Mr. Quennell: — The appointment as a Justice of the Peace is an order in council appointment. The current position was given to . . . the scheduling position . . . and the scheduling is done by the supervising Justice of the Peace. And the decision about where Ms. Dmytryshyn is serving and in what capacity, not as a Justice of the Peace but in respect to the current situation in traffic court in Saskatoon, that determination was made by the Chief Judge and the supervising Justice of the Peace.

So again for clarification, is Mr. Morgan wanting an inquiry into Ms. Dmytryshyn's qualifications, way back when, when she was appointed a Justice of the Peace? If so then of course we will provide what we can. But I want it to be clear that . . . because there's no point us digging back through the archives for that information if he doesn't want it.

Mr. Morgan: — Mr. Crook has indicated that he'll provide the information that was provided at the time she was initially appointed. That would be satisfactory.

I would like to move on to Dave Maki and why severance was paid in that instance.

Hon. Mr. Quennell: — Mr. Chair, then I'll take that as a yes.

Mr. Crook: — Again a number of years ago when the change was made to the docket court format with trials proceeding in the same courtroom versus the hearing room, traffic court went from two traffic justices down to one. At that time, Mr. Maki's order in council had expired and it was a budget decision in that budget year to downsize. And again this was a recommendation from the court to make this change. And at that time, in consideration of the fact that it was a budget decision and there was not severance paid, there was no severance that would have been owing to anyone. Their order in council has simply expired. But an *ex gratia* payment of a very modest nature was made to the individual.

Mr. Morgan: — I had heard it was in the magnitude of two or three months salary. Would that be a fair . . .

Mr. Crook: — I'm going by memory here but that sounds about right, yes.

Mr. Morgan: — And that was after the end of his order in council?

Mr. Crook: — Yes, that was at that time.

Mr. Morgan: — Lorne Senko's order in council expired earlier this year, and will he be receiving a similar *ex gratia* payment?

Mr. Crook: — It is an outstanding issue that we will have to

look at. There have been other traffic justices whose OCs [order in council] have expired who, you know, did not receive any *ex gratia* payment. There was a particular situation around Mr. Maki with it being a budget decision of that nature, but again it's something that we are presently looking at the issue.

Mr. Morgan: — Mr. Maki was willing to stay on, I take it? Presumably if it's purely a budget issue, Mr. Maki was willing to have it renewed.

Mr. Crook: — Yes. There was, I think, some change in his personal circumstances and with a move out of the province. But I'm not sure whether that would have happened, you know, what would have happened there. Certainly he had indicated he wanted to stay on. At some point later he did move out of the province.

Mr. Morgan: — Mr. Senko as well indicated he wanted to stay on. Is that correct?

Hon. Mr. Quennell: — Mr. Chair, we have some concern about discussing any more detail, the discussions with Lorne Senko as the matter is under discussion with him now.

Mr. Morgan: — Well I want to make the statement I find it surprising that Mr. Maki, whom I don't know and presume served the province well, would receive an *ex gratia* payment at the end of his order in council. I mean orders in council run out and usually that's the end of the province's obligation to do it. Sometimes people express an intention that they would like it renewed. Sometimes the province chooses to; sometimes the province doesn't. But the province is under no further legal obligation.

So with Mr. Maki we set a precedent that we're paying an *ex gratia* payment, retirement allowance, call it what you will. I don't know why we would have done it there. And then Mr. Senko, who's willing to work, has been working full-time, doesn't get an *ex gratia* payment, doesn't get renewed, as could express a willingness to renew, and Ms. Dmytryshyn now is working close to full-time filling the position that Mr. Senko had been filling under his OC. And I'm just sort of wondering why we would be treating Mr. Maki differently than we're treating Mr. Senko and . . .

Hon. Mr. Quennell: — Mr. Chair, Mr. Morgan started off by saying he had a statement to make. So I was taking it as a statement. If it's a question, I guess my answer's the same, is that the discussions with Mr. Senko aren't concluded.

Mr. Morgan: — I appreciate, Mr. Chair, that this is a personnel matter, and if the minister tells me the matter is under active negotiation or under discussion with the individual, I'm prepared to leave it at that and will raise it again the next time, and certainly don't want to do anything that would prejudice either Mr. Senko or the province in their negotiations.

Mr. Chair, I'm ready to move on with my next area of questions.

The Chair: — Mr. Morgan.

Mr. Morgan: — The police complaints commission, we've

made changes to that legislation. And I'm wondering what the government officials can tell us about the backlog that are there, and whether the new system is giving any assistance to getting rid of the backlog. In earlier estimates when we had gone through the police complaints commission report, we saw complaints that were actually not measured in days or weeks, but in years. So I'm wondering whether they can give us some assistance.

Hon. Mr. Quennell: — The reforms to the Public Complaints Commission have had a number of positive effects, one of which is a reduction of the average time to conclude a complaint. Now the information I have is current to April 9, 2007.

The Public Complaints Commission has reduced the average time to conclude a complaint for 2006-2007 to 62 days from the 2005-2006 average of 155 days. The Public Complaints Commission has hired three additional investigators. Two have been assigned to the Saskatoon office and one to the Regina office.

Allegations of police misconduct continue to be very serious, of course, and require extensive investigative time to complete. The additional resources provided by my department has enhanced the investigative capacity of the Public Complaints Commission, has contributed to reduce investigative and review times.

The Public Complaints Commission panel members meet bi-monthly to review new complaints, be briefed on the status of ongoing investigations, and to review completed investigations. The panel enhances public confidence by providing a fair and impartial civilian oversight to the public complaint process.

As we all know, it is an unique institution in Canada in that participation by First Nations and Métis people in the commission is entrenched in legislation and — at least in the past and I stand to be corrected — there are First Nations and Métis investigators or Aboriginal investigators hired by the commission as well. And that has served to increase public confidence in the commission.

Of course expanding the commission from one person to this panel has obviously had — along with hiring investigators — a very positive effect on the ability to turn around investigations.

To give some detail, Mr. Chair, Public Complaints in 2005-2006 had active investigations, 58, pending, for 44 per cent of complaints; pending review, 21 per cent, 28; and concluded, 47 at 35 per cent. The current standing: active investigations, 5 at 3.8 per cent; pending review, 17 at 12.8 per cent; and concluded 111, 83.5 per cent.

The average time to conclude a complaint, as I say, was 155 days. Over 180 days were 44.7 per cent of the complaints. The average time to conclude a complaint in 2006-2007, 62 days, as I said. Those over 180 days are 7 per cent, so less than one-sixth of the percentage that was the case the previous year.

Mr. Morgan: — Are these the complaints that have come under the new system or are these the complaints that were laid

under the old system? Were they included in there as well?

Hon. Mr. Quennell: — 2005-2006 would be a mixture of old process before proclamation and new process; 2006-2007 would be all new process.

Mr. Morgan: — Of the many complaints, what's the oldest complaint you have?

Hon. Mr. Quennell: — We know now we've reduced the number that are over 180 days from almost 45 per cent to 7 per cent. We would have to do some research to determine what is the oldest complaint outstanding and how many days it's been outstanding. And we can provide that information, and will.

Mr. Morgan: — Minister, I'm pleased that the commission has got this down to an average time of 62 days. That's a significant improvement. And I'm not sure whether you said it was 7 or 17 per cent that were over the 180 days.

Hon. Mr. Quennell: — The number that is there, it is now 7 per cent. Only 7 per cent are over 180 days.

Mr. Morgan: — When we looked at this last time there was some of these complaints that were several years old. So of that 7 per cent, I'm concerned about whether there's some of them that are two, three, four, and five years old. And some had been many years old. And that was certainly problematic. And I'm hoping that they're not just dealing with the new ones and letting the older ones languish. The fact that they were down to 7 per cent is a good sign, but still any complaint that goes beyond 180 days is troubling.

Hon. Mr. Quennell: — Well I think we'll all appreciate there's been a significant improvement. I think another interesting number — I could go through each time period; I expect Mr. Morgan and none of the other committee members really want me to do that — but in 2005-2006, the complaints that were concluded within 30 days was 23.4 . . . [inaudible interjection] . . . I still have the Chair . . . I still have the floor.

I think it's an important figure because, and I think it assists in understanding the good news story of this turnaround. And I won't give every time period. Over 180 days, I think, was an important accomplishment, and I gave that. And the only other one I will give is the zero to 30 days. In 2005 to 2006, less than a quarter of the complaints were concluded within that one-month time period, 23.4 per cent. Now, in 2006-2007, over half, 55.8 per cent, are included in that 30-day period. I think that's worth knowing.

Mr. Morgan: — If we could, Mr. Chair, have the minister's staff's undertaking of the 7 per cent, that are beyond that, to just give us the age of each of those complaints. I don't presume there's that many of them that are there and we just know how old those are and what plans they have to deal with it.

I'd like to deal briefly with Human Rights Commission, if I can. I'm wondering what the timeline for Human Rights Commission complaints and turnaround are.

But before I ask the question, I note recently that the Chief Commissioner, Donna Scott, has been appointed to the

Provincial Court and I want to use this opportunity to congratulate her on that appointment. And it was, Mr. Chair, a very good appointment. And I'm pleased to see that that appointment was made.

Hon. Mr. Quennell: — And, Mr. Chair, the swearing in of Judge Scott will be May 25. And I advise the committee that, but particularly Mr. Morgan because he may want to be present in person to congratulate her on that happy day.

The Chair: — Mr. Morgan.

Mr. Morgan: — My question was, what the average timeline is for the length of turnaround on human rights claims — what the average is and what the longest is.

Hon. Mr. Quennell: — Mr. Chair, I'll take the committee through a timeline and give the average required for each step.

The first step in the process is complaint intake. The complainant calls, writes, or completes a questionnaire and meets with an intake consultant. The intake consultant does an assessment to determine if there are reasonable grounds to believe the Code was violated. The complaint is signed and the respondent is advised of the complaint. This is a relatively straightforward . . . Straightforward cases are processed immediately, and most cases would be relatively straightforward. All others are generally handled within 30 days with minor exceptions.

The next step of the process is voluntary mediation phase. The commission attempts to persuade the parties to participate in a voluntary mediation process. If both the complainant and the respondent agree, mediation is initiated. This may also occur in the investigation stage. On average the mediation process takes four months.

Now if the parties do not agree to mediation, the complaint is held in the backlog awaiting investigation until it's assigned to an investigator. Files are normally assigned from backlog on a first-in, first-out basis. Some exceptions do occur for complaints that require priority handling. On average complaints are in backlog for 2.5 months.

Investigation — the fourth step. The investigator assigned to the complaint must speak with witnesses and gather documents to determine whether a complaint can be substantiated. The conclusion of an investigation of a report is filed with the Chief Commissioner. On average, complaints are under investigation for eight months.

And the next step is, after consideration of the report by the Chief Commissioner, she has several courses of action available. The complaint may be directed to mediation, further investigation, or settlement offers, deferred depending outcome of a grievance proceeding, dismissed, or directed to the human rights tribunal for a hearing decision. The average length of time from formalizing a complaint to a decision by the Chief Commissioner is 19 months.

Mr. Morgan: — So what you're telling us is that if each complaint goes through and follows . . . We have the aggregate of all of the numbers you've given, so 19 months plus eight

months plus two and a half plus four plus the 30 days, is that . . .

Hon. Mr. Quennell: — The average length of time from formalizing the complaint — that's the first step — to the final step, the decision by the Chief Commissioner, is 19 months. So the 19 months . . .

Mr. Morgan: — So the 19 months is the aggregate.

Hon. Mr. Quennell: — The 19 months is the total.

Mr. Morgan: — And then after the complaint has been formalized by the chief . . . there would be a hearing if the complaint wasn't resolved by that time, if they decided to have a hearing.

Hon. Mr. Quennell: — The commissioner can dismiss the complaint or . . . That's one of the options that I outlined. Another is to direct the human rights tribunal for a hearing decision.

Mr. Morgan: — And what is the timeline for that?

Hon. Mr. Quennell: — Mr. Chair, we don't have information on the length, the average length of the tribunal process the way that we do for commissions. Almost without exception tribunals are individuals — I think almost without exception lawyers sitting alone — and the time that it takes, I think it's fair to say, depends in part on the complexity of the case and the number of witnesses and that type of issue around the complexity of the case, and partly around the nature and busyness of the lawyer's practice.

Mr. Morgan: — I just want to go back, Minister. I want to make sure that I understand. You had indicated a number of timelines before in the process up to formalization — the 30 days, the four months. So each one of those is a timeline in the steps. So the 19 months would be the time it would take for the Chief Commissioner to say that, we're going to appoint a tribunal.

So then there would be an order or a direction from the Chief Commissioner appointing somebody to hear it, and then it would be outside of the commission's hands at that time because it's done by . . . But that would usually take likely several months by the time the Chief Commissioner appoints, finds a lawyer to accept, and the lawyer convenes the hearing and . . .

Hon. Mr. Quennell: — There are set members to the human rights tribunal. The tribunal includes Karen Prisciak, Queen's Counsel and chairperson; Dirk Silversides, Roger Lepage, Anil Pandila, Q.C. [Queen's Counsel], I believe, Don Worme, Q.C., Sheila Denysiuk, and Mary Lou Senko.

There are, I think, five matters before tribunal of relatively long standing which we expect will be dealt with fairly soon, but there are certainly some.

Mr. Morgan: — You're not able to tell us what the oldest complaint is before the commission right now, when the first one was applied that's still not . . . I'm wondering how many

would be in excess of 10 years.

Hon. Mr. Quennell: — Mr. Chair, I can assure the committee that there are no matters that are 10 years old. The oldest matters would go back to the budget year of 2002-2003. There would be two of those. They are both reviews. That is they are reviews of decisions made by the commissioner. So the commissioner dismissed a complaint, and, I guess, the complainant saw to review by the tribunal. Those would be the oldest.

Mr. Morgan: — I'm wondering whether in the minister's view the 19-month time period is an acceptable turnaround and what the minister thinks would be an acceptable turnaround time if not 19 months.

Hon. Mr. Quennell: — Mr. Chair, the turnaround last year would have been 27 months. The turnaround now is 19 months. That's a reduction of about one-third. I don't know if that's as tight as it can be made by the commission, but it must be getting closer.

Mr. Morgan: — Has either the minister or the commission have a target time, and what additional resources would be required to meet that target?

Hon. Mr. Quennell: — No, the commission doesn't have a target. The commission has clearly worked very hard to bring this time period down from 27 months to 19 months over a year. And 19 months is actually a remarkable period of time when one compares it to civil process in the Court of Queen's Bench, which would be the easiest analogy or comparison to make.

Mr. Morgan: — But the purpose of having this tribunal, having a Human Rights Commission is so that people don't have to go to court because it's too long and too cumbersome. A lot of the things that the Human Rights Commission deals with are verbal statements made by people where there isn't a strong evidentiary record — where witnesses tend to leave, recollections fade, racial slurs, that type of thing where we're reliant on the frailties of human memory. I'm wondering would it be appropriate for the minister and the commission to work to getting a better system and whatever resources there, so that we would be able to reduce it beyond the 19 months and get it down to something that would be well under a year?

Hon. Mr. Quennell: — Mr. Chair, I think if you went back to the debates around the establishment of the commission back in the 1970s in Saskatchewan, one might find more high-minded expression of vision for the purpose of the commission, the reasons for the commission than we just heard. Tremendous progress has been made and there is a limit to how quickly civil process, which is not a sloppy summary process but accords people their rights as one would expect from a Human Rights Commission, there's a limit to how much more efficacious or efficient the Human Rights Commission can be compared to the Court of Queen's Bench, for example. Well I don't have the figures but Mr. Morgan and I both know that it's far, far longer than 19 months to see a matter through.

Mr. Morgan: — If the minister thinks this is the best it can be, I accept that under his direction it's the best it can be. I'm

wondering, Mr. Chair, if the minister has appointed a new Chief Commissioner, and if not when that might happen.

Hon. Mr. Quennell: — Mr. Chair, a acting Chair of the commission will be appointed and a national . . . Or I anticipate that we will be holding a national search for Donna Scott's replacement.

Mr. Morgan: — Earlier this evening we removed from committee, or will be passing out of committee, the Bill dealing with amendments to the Human Rights Code on mandatory retirement. I'm wondering what budgetary implications this is going to have for the Human Rights Commission, how much the caseload is going to increase, and what plans the department and the minister is going to make to deal with that.

Hon. Mr. Quennell: — Mr. Chair, the department will discuss with the commission whether they anticipate or discover any implications — I guess financial, budgetary, or otherwise — because of the change of the legislation. Personally I'm not sure that I do anticipate any. I'm not sure that there would be any reason to. But we'll certainly continue to consult with the commission. And if there are, then those will have to be taken into account in the next budget year.

Mr. Morgan: — I'd like to move on to deal with land titles claims. There is a portion of the budget that is set aside for a statutory provision for outstanding claims. Since we moved to ISC [Information Services Corporation of Saskatchewan] I'm wondering how many claims are outstanding from the old system. And what amount of money needs to continue to be set aside in reserves for outstanding land titles claims?

While the government officials are getting ready — just so that I make it easier on the officials that are here — my intention is to deal with land titles, judges' salaries, Public Guardian, and mediation, if that makes it easier, if some of them wish to go and stretch their legs. That's the order I intend to do things in if that makes life any easier whatsoever for them.

Mr. Sisson: — Land titles assurance claims for the '06-07 year, we paid out \$23,000 worth of claims so that was under the \$25,000 budget. We don't have an estimate of what's outstanding because at any given time it depends on what's working through the land titles system. But if it deals with the old claim system, it's part of the claim against the land titles assurance fund. If it's out of the new system, that is something that ISC would pay.

Mr. Morgan: — So right now how much is in the assurance fund now?

Mr. Sisson: — It's a set budget amount every year. We have \$25,000 in the budget.

Mr. Morgan: — That doesn't accrue from one year. If it's not used, it doesn't carry forward?

Mr. Sisson: — Correct, it doesn't. It's a set budget amount each year.

Mr. Morgan: — And have we gone over budget ever on it?

Mr. Sisson: — Yes we have. I've got to '98-99 if you're interested.

Mr. Morgan: — If you just want to read me the totals for over the last three, four years, I presume it's a declining amount as the claims work their way through.

Mr. Sisson: — Certainly it has been declining. In 2001-02 it was just a touch over 74,000; in '02-03 it was just short of \$56,000; in '03-04 it was almost \$52,000; in '04-05 just over \$30,000; in '05-06 it was \$66,000; and this past year it was around 23,000.

Mr. Morgan: — And are you informed as to what the claims are against ISC?

Mr. Sisson: — No we are not.

Mr. Morgan: — Part of the ICS budget does not deal with this allocation at all?

Mr. Sisson: — Correct.

Mr. Morgan: — The salaries for judges, I'm wondering when they next come up for review or when they last came up for review and what the increases have been.

Mr. Crook: — It's Rod Crook. The Barnard Commission made recommendations concerning salaries for provincial court judges for the period April 1, 2006 to March 31, 2009. Those recommendations were accepted by the government. The salary for provincial court judges was set at \$195,000 annually for the period April 1, 2006 to March 31, 2007. For the 2007-08 and 2008-09 fiscal years the annual salary is adjusted by the increase in the Saskatchewan consumer price index as measured in the previous calendar year.

So the salary currently, effective April 1, 2007, for this fiscal year, the CPI [consumer price index] adjustment was 2 per cent and that increased the salary for a Provincial Court judge to \$198,900 annually.

Mr. Morgan: — And that contract, that recommendation continues through until '09?

Mr. Crook: — Yes for the period ending March 31, 2009. There would be a new commission process to make recommendations with respect to salaries for the three-year period beginning April 1, 2009.

Mr. Morgan: — And in addition to this, there would be the benefits — the pension contributions and disability and health plans?

Mr. Crook: — Yes. And I should have noted that the commission process to set or to make those recommendations would begin in July '08 and continue into the fall and with recommendations as accepted by the government to be effective April 1, '09.

Mr. Morgan: — The cost per judge on the various benefits would total approximately 10 or 15 per cent of the salary? Is that fair?

Mr. Crook: — I think I don't have the information with me but I think it would be certainly be fair to say that it would be more than that. Because of the pension benefit is . . . But we can certainly send you that information.

Mr. Morgan: — If you would, please. I'd like to move on now and deal with the Public Guardian and Trustee. There is estimates in there of an increase from \$2.1 million to \$2.239 million. I'm wondering what the increase relates to.

Mr. Crook: — The increase is provided for various salary adjustments for the collective agreement and corresponding increases for the out-of-scope staff.

Mr. Morgan: — Can you tell us how many dollars are under administration by the public trustee?

Mr. Crook: — Yes I can.

Mr. Morgan: — What I'm going to be asking, Mr. Crook, just so you know, is how many dollars are under administration for how many different clients, and what the rate of return they're getting on it. So if you . . .

Mr. Crook: — Okay. The vast majority of assets that are under administration are held in the common fund, and as of March 31, 2007 there was \$129.321 million of assets under administration. The investment returns to March 31, 2007; the one-year investment return is 9.5 per cent, the four-year investment return is 11.4 per cent per annum over those four years.

Mr. Morgan: — In addition to the funds that are in the common fund, and then I presume every participant would have the same rate of return that has money in the common fund, you would also have under administration land and other assets?

Mr. Crook: — That is correct.

Mr. Morgan: — How much land, how is that accounted for? How do they deal with that administratively?

Mr. Crook: — I don't have the March 31, 2007 figures. But for the period ending March 31, 2006, there were 22.443 million in individual trust assets, and that is further broken down into the various components of that, including land, as you mentioned. I'm just turning to the relevant portion of the financial statements for that information. Yes, as of March 31, 2006, the 22.443 million, the real estate is . . . I can give you the exact figures, but 8.338 million, various individual investments; 8.517 million, various accounts receivable and the like.

So there's a number of categories but those are assets where in the best interest of the client's financial situation it was determined that the land should be retained, for example, and not sold and the proceeds invested in the common fund. So a decision is made at the front end when the administration of the dependent adult's estate is taken over as to what is in the best interest of the client and these are segregated assets that are then looked after. A lot . . . you know, farm land for example would be one category, houses — that type of thing.

Mr. Morgan: — The Ombudsman's report this year showed a

significant increase in the number of complaints dealing with the Public Trustee. I've long been a fan of the work that that office has done and Mr. Kruzeniski, but I'm troubled to see an increase in inquiries or issues with the Ombudsman. I'm wondering whether the minister or the department has made inquiries to determine whether there's a funding problem or a systemic problem or something that would give cause to that rise.

Mr. Crook: — I think it should be noted that the Public Guardian and Trustee acts as a last resort where there is no family member or other appropriate individual who can play the role of property guardian. And so often we are in situations where there is disputes between family members. Often there is, you know, significant emotion involved and people can be unhappy with what is being done.

We do not see any upward trend in the number of complaints. We don't see there to be a significant problem in terms of funding. You asked about that. Certainly there has been some increase in the number of files over time but we have also I think managed to, over the years, increase the budget incrementally as well. So we're not seeing a huge issue there.

Mr. Morgan: — I guess I'm aware that there will certainly be issues because of the nature of the people that they're dealing with and the situations that they're . . . When I went through the Ombudsman's report, I noticed there was just an increase there. If the department's satisfied with that for the time being, that's fine. But my caution would be, when you see the complaints go up there, you can't help but wonder whether there's an issue and would just caution the department to . . . You may want to just monitor whether there is . . .

Hon. Mr. Quennell: — As I believe Mr. Crook said, Mr. Chair, we don't believe that it's an upward trend, but of course repeated increased numbers would suggest otherwise, and we will monitor it closely.

Mr. Morgan: — Thank you. And once again I repeat, the experience that I've had with that office or that my constituency office, has been excellent. They I think do a good job and the rate of return they get, — you know, they're guaranteed by the government — is greatly in excess of bank rates so people that do have assets there are rather well served. The administration costs are paid for by the government and the return goes directly to them, so.

Mr. Chair, last year we made changes to The Residential Tenancies Act and we codified, effectively codified some of the practices that had taken place by some of the officers working in the residential, Rentalsman offices. And I'm wondering whether that's resulted in increase in caseload or whether that's been able to be absorbed or whether that's developing backlogs there.

Mr. Chair, once again while the department officials are having a huddle, I intend next to ask about the increase in costs of the consumer protection branch and then move on with caseloads in Provincial Court, Queen's Bench, and the effect of the changes to the small claims limit and how the costs are apportioned between Queen's Bench and Court of Appeal judges for automobiles and costs of operating those courts, so that gives

them a moment to collect their thoughts in that regard.

Hon. Mr. Quennell: — Mr. Chair, in response to Mr. Morgan's question, there has been no measurable impact of the changes which would have come into effect October 1, 2007.

Mr. Morgan: — Thank you. And my last question, does the department monitor timeline on turnaround on the applications there?

Hon. Mr. Quennell: — Yes.

The Chair: — Ms. Draude.

Ms. Draude: — Thank you, Mr. Minister. I'm just wondering with provincial corrections, what kind of liaisons do you have with the federal penitentiary? What kind of work do you do with them and specifically within the health care issues?

Hon. Mr. Quennell: — That's a question that really needs to be directed to the Minister Responsible for Corrections and Public Safety. I don't know. I don't believe those estimates are concluded, so I think you'll have — sorry — I think Ms. Draude will have an opportunity to ask that question in estimates of Corrections and Public Safety.

Ms. Draude: — Thank you very much.

The Chair: — Mr. Morgan.

Mr. Morgan: — Sorry, Mr. Chair. There's an increase in consumer protection funding from 788 to 819,000. I'm presuming, but just want to confirm, that that change is only due to salary increase and that's not additional positions.

Hon. Mr. Quennell: — Correct.

Mr. Morgan: — Thank you. In our court systems in the province . . . I'm wondering whether the minister's officials have it and if they have it in paper form I don't need to ask the questions. I'm wondering about the caseloads in each of the three courts and how the department tracks the number of cases per year, whether they do it by way cases that are open, cases that are pending, or cases that are closed; and sort of what statistical data there has been for all three levels of court.

Hon. Mr. Quennell: — Mr. Chair, we had this discussion in estimates in a prior year, and so I am comfortable that we have that material because we've discussed it before. And of course it will be updated, and we can send it to Mr. Morgan, or we can send it to you, Mr. Chair, and you can provide it to members of the committee — whatever's most appropriate.

Mr. Morgan: — If we have the same format that was there as it was last time, that would be most appreciated. Thank you. Without having any numbers in front of me, I'm wondering whether there has been changes in the small claims caseload as a result of the increase in the limit. And then obviously the next question is, what further changes might be contemplated in that regard?

Hon. Mr. Quennell: — Mr. Chair, we can provide the committee with more precise and detailed information of the

increase in caseload, which there may be other factors, but could be at least partly attributed to the change in the small claims court limits. It appears to be modest, but we can provide more detail, and we will provide more detail.

I am personally proud of the tripling in the limit for small claims since I became Minister of Justice, from 5,000 to \$15,000. I believe from our previous discussions and estimates over the years that Mr. Morgan, and I believe his colleagues in the Saskatchewan Party caucus, believe this is the right direction to go in as well. My personal belief is that the fact that we've had a modest increase in the caseload as a result of raising the limit from 5,000 to \$15,000 is not as surprising as it might be to some.

And I've had discussions with ministers and deputy ministers in other provinces who have experienced an increase in the limit without seeing the expected, or what might be expected, increase in caseload. I believe that's in part — I can't prove this, but it's based on my personal experience as a lawyer and based on those discussions in part — that what we had seen is people reducing their claim below what they believed it to be to get it under the limit or down . . . [inaudible] . . . to the limit in small claims court. So when they had a claim of \$7,000 and the limit was \$5,000, they decreased their claim to \$5,000. When the limit went up to \$10,000, they were still in small claims court. They were just in small claims court for the whole amount of what they thought they were owed. And the same thing happens correspondingly when you go to \$15,000.

However there is going to be an increase. It's not entirely people who have been previously lowering their claim to meet the limit. There are also actually claims that are that high that did not go to small claims court before. They went in to the Court of Queen's Bench, are now going to go to small claims court. So we have to monitor and talk to the judges as we raise the limit. I have publicly, and I think probably in this committee, expressed the view that I would like to see the limit go to \$25,000 and go to \$25,000 as soon as practically possible.

Mr. Morgan: — This is two issues that are here. One is whether we have adequate resources in small claims court to deal with this, and I am pleased that you're monitoring it. The second part of this is whether there's a reduction in the caseload in Queen's Bench and whether you're having discussions with your federal counterpart with regard to reducing the number of appointments to the Court of Queen's Bench or whether Court of Queen's Bench is, you know, whether you're watching that caseload as well.

Hon. Mr. Quennell: — In respect to the small claims court, there has been the creation of a civil division in Regina. The recent appointment of Donna Scott will be to a new civil division of the Provincial Court in Saskatoon, and we believe that will help facilitate the impact of raising the limit. At least it will assist in doing that. And that may not just be limited to Regina and Saskatoon in the future.

But again we don't want to move more quickly than the court can absorb. And if we can anticipate, through our monitoring and through our consultations with the court, that an increased limit would significantly increase the strain on the court, then we would either have to become more modest in our ambitions

as to what the limit is or determine what increased resources are needed over and above reorganization of the court which of course has facilitated the move upward to a certain extent.

Mr. Morgan: — Mr. Minister, the other part of my comment was the reduction caseload at Queen's Bench, whether we're seeing a corresponding offset there. And I presume, that there's a reasonable likelihood that we would. Now I don't know whether there's been a reduction because we don't have . . . we haven't as yet provided with that information.

Hon. Mr. Quennell: — We don't see . . . we don't believe we see, anyways, a decrease in the work done by the Court of Queen's Bench, and perhaps some of this discussion should wait providing the further information that Mr. Morgan has requested.

But I think it's been everybody's experience who's looked at the court that the Court of Queen's Bench is doing an increased amount of family litigation and that load is not going to be decreased. And the impact on the court of the increasing amount of family litigation is not going to be addressed by any change in the claim limit in small claims court.

Mr. Morgan: — I didn't want to enter into a long debate. The expectation is that insofar as there's a case reduction because of the change or the shift to small claims, it's the expectation of the public that will be monitoring that to determine whether it's appropriate to have less judges in Queen's Bench. I'll leave it at that.

I would like to ask a question about our Court of Appeal and Queen's Bench judges. The salary for Court of Appeal judges and Queen's Bench judges is paid by the federal government. But the province supplies offices and I believe automobiles and a variety of other costs. Have we got a cost as to how much each one of those judges costs us for the things that the province supplies? And have you got a listing of what the costs are per judge?

Mr. Crook: — It's Rod Crook. For superior court judges, the province covers the cost of offices, staff support, the clerical area, and equipment.

Mr. Morgan: — Travel.

Mr. Crook: — The federal government is responsible for travel costs. So those are the three areas that the . . .

Mr. Morgan: — Repeat them again, what we do provide.

Mr. Crook: — The offices, the clerical support, and equipment such as computers and that type of thing. So those are the three areas. We don't break those down, you know, on a per judge basis but I'll just . . . We don't, as I say, break it down on a per judge basis, but we could certainly collect that information, if it was useful to you, as to what the total costs are for support.

Mr. Morgan: — Do we also supply the library services?

Mr. Crook: — Yes. The books and libraries are included.

Mr. Morgan: — That's part of the support. Is that correct?

Mr. Crook: — Yes, that's part of the support.

Mr. Morgan: — I don't want to put the department to a lot of work. I didn't know that the federal government was paying the cost of travel. But it would be interesting, you know, as we look at what the right size bench is at the different levels, and when we look at split costs, I think it's beneficial for us to know what the costs might be. And I don't care; I would rather have it on an aggregate basis because to add up or down the judges isn't going to probably make a huge difference, but I wouldn't mind knowing the total if it's fairly readily available without . . .

Mr. Crook: — We can provide that.

Mr. Morgan: — Thank you. Mr. Chair, I would like to move on to some prosecution issues. I'm wondering the number of prosecutors that the province has at the present time.

Hon. Mr. Quennell: — Mr. Chair, in public prosecutions there are a total of 94 full-time lawyers and three part-time lawyers.

Mr. Morgan: — How many . . . I'll ask you these all at once if that makes it easier. How many claims are pending against the province right now for malicious prosecution? How many Charter challenges are pending against the provinces where the province is directly involved? And how many per year do we usually receive of those?

Hon. Mr. Quennell: — While confirming the first part of the question, which I think we can answer, perhaps Mr. Morgan can clarify what he means by Charter challenges.

Mr. Morgan: — Where you've received a notice that somebody is seeking to have a piece of provincial legislation . . . I'm not talking about in the context of a criminal matter where somebody is challenging wiretap evidence or something, but where somebody is challenging a piece of provincial legislation, where we've received a notice under The Constitutional Questions Act.

And if I don't have it now, that's fine. My expectation . . . And I'm not going anywhere specific, but I'm just wanting sort of to get a sense of how many of that type of claims are out there on a year and how problematic it is for the department to deal with them. And I don't have any information on it. I just . . .

Hon. Mr. Quennell: — Mr. Chair, well I hope can say I haven't tried to be exceptionally difficult during any part of the evening. I'm not trying to be difficult here. But if the question is how many notices of constitutional proceedings legislation that the department received, say in the last year or in a year, we'll try to gather that information. I don't think it's fair to call those claims because the constitution is being challenged, people are under an obligation to notify both the provincial and the federal government. And so that notification doesn't necessarily mean it's a claim against the provincial government.

Mr. Morgan: — I used the word claim; I was in error. Under the malicious prosecution claims, that would be a claim under the constitutional questions. Just how many files are outstanding?

Hon. Mr. Quennell: — Mr. Chairman, then we will try to put

together some meaningful information if we can on the notices under constitutional proceedings and matters that raise the Charter to which people are supposed to, at least, advise the federal government and the appropriate provincial government.

Now in response to the question on malicious prosecutions claims, there is one matter that is in the Court of Appeal and a decision is being awaited from the Court of Appeal. And there is one other matter. That makes two in total.

Mr. Morgan: — This is on the prosecutions?

Hon. Mr. Quennell: — On malicious prosecution claims. The second matter I'm referring to that's not in the courts and has never been in courts, apparently commenced with a statement of claim issued in January 1999 and has essentially been inactive ever since.

Mr. Morgan: — I'm very cognizant of the cost of your officials' time on this, and I don't need to know exactly how many of the claims of the constitutional question applications that would be pending, but if they can give me some sense of it — whether it's 3 or 5 or 50 or 100, you know, if we're out a few — I'm just trying to get a feel for how big an issue is there.

Hon. Mr. Quennell: — Mr. Chair, we'll do what we can.

Mr. Morgan: — Thank you, Mr. Chair. The legislation was passed dealing with fitness clubs and travel clubs sometime ago. And I'm wondering whether, since that legislation has been passed, what the status of regulations are in that area and whether a budget's been set up or . . .

Hon. Mr. Quennell: — The amendments that Mr. Morgan refers to have not been proclaimed yet. Consultation is proceeding on the regulations, and that includes consultations with fitness club owners. And we expect to have the feedback or the input back by the end of May in respect to those consultations.

And one of the significant issues, as Mr. Morgan probably remembers, is what constitutes a material change in circumstances within the legislation and what the regulations should state in that regard.

Mr. Morgan: — So what you're telling us is that you expect by the end of May 2007 to have completed the consultation. And at what point would it be reasonable to anticipate that regulations would be drafted, and when would the Bill be in place?

Hon. Mr. Quennell: — I anticipate by September 1.

Mr. Morgan: — Just in case you get inquiries of your office, we're not holding this one up.

Hon. Mr. Quennell: — The regulations are outside of Mr. Morgan's control in that respect.

Mr. Morgan: — Well just in case the inquiries come, I just want it on the record that we haven't held this one up.

Hon. Mr. Quennell: — My office will not advise anybody that the regulations are delayed because of adjournments in the

House.

Mr. Morgan: — And the gunshot and stab wound is also waiting for regulations, and we're wondering about the timeline on that as well.

Hon. Mr. Quennell: — Again, Mr. Chair, I would anticipate by September 1.

Mr. Morgan: — That the regulations would be drawn or the Bill would be proclaimed or both?

Hon. Mr. Quennell: — The regulations would be drafted and in place and that the Bill can be proclaimed.

Mr. Morgan: — We would like to encourage you to do that with as much priority as they can be given. We think that it's something that's of significant importance to the police officers, and when we talk to police officers, they're supportive of the Bill.

We're very conscious of the inherent flaws that are in there with both regard to over and under-reporting, and I realize that's going to be a challenge for both the officials that are drafting the regulations and the people are working in health care that have to do the reporting process. Nonetheless it was a decision that was made by both sides of the House, so it's our expectation that we have something in place in a workplace. And we know it's something that's going to have to be reworked in time. But we want to send the message to the police officers and the public that we're supportive, which is a statement . . .

Hon. Mr. Quennell: — Yes. And, Mr. Chair, Mr. Morgan and I are of the same or very, very similar view on this, and it's full speed ahead on the preparation of the regulations. But this is going to be — as Mr. Morgan appreciates, as a member of the committee who heard the testimony, and I both appreciate — that this is going to be a significant adjustment for the health care facilities involved, the hospitals involved. And we want it to be effective as soon as possible, but effective as soon as possible.

Mr. Morgan: — Minister, I have . . . my last couple of questions will deal with staffing. We have in health care and a number of other areas grave problems with the exodus of the baby boomers from the workforce. And my concern is with the qualified and trained professionals that we have working in the department, what the average age is of our staff lawyers or our employees, and whether we've got a retention or a recruitment practice that we can maintain the calibre of staff that we have.

Mr. Moen: — I think it's fair to say . . . Doug Moen. I think it's fair to say that, you know, the justice sector and the department in particular is very concerned that we are able to recruit top-notch people. I don't have the number with me in terms of the spread in age but we have a lot of young people. We have, you know, some older people in the department. It's a significant spread; it's not just a collection at the upper end. We would be happy to send you though, that full spectrum.

Mr. Morgan: — To know an average age doesn't help me because you'll have employees in different areas that are doing

different things. In particular I'm worried about the large number of prosecutors we have that are all, you know, rapidly approaching retirement, and I know we have staff lawyers within. So if you could provide us the average age of . . . or the number of years left to retirement for prosecutors and for the staff lawyers that are working in-house.

Mr. Moen: — I'll send you the average age in ten-year increments, if that's all right.

Mr. Morgan: — Sure, that's fine. Minister, I have, the last thing that I was wanting to inquire about was, I had heard a rumour about that there was an intention to move corporations branch to ISC which didn't make sense and . . .

Hon. Mr. Quennell: — That decision hasn't been made, no.

Mr. Morgan: — Is it under consideration at all? If it is, I would question why. And if it's not under any kind of active consideration, I'd just like to go back from whence I heard it and say, not under consideration by the department at all.

Mr. Moen: — I mean there has certainly not been any decision made by cabinet or by the Treasury Board to make that move. I think if you were going to make an argument along those lines, it would be along the lines that the registry functions within government could be collected at ISC, and so this is a registry function similar to other functions. And if you look in other jurisdictions, the corporations branch occurs in the same locale with land-related registry functions. But that being said, there's certainly no decision to do it. And we have discussions from time to time, but as I say no decision's been made.

Mr. Morgan: — So if I give any answer that there's no immediate plan — and everything is always under review — but there's no immediate plan or discussion under way, that that's a fair answer for me to give.

Mr. Moen: — I mean we're not in the process of preparing, you know, decision documents relating to that matter. I mean, you know, it's conceivable that we could be discussing it in two or three months, but there's no decision moving forward at this point.

Mr. Morgan: — Mr. Chair, I want to conclude just with making a statement. The corporations branch went to an updated computer system a year or so ago. I guess more than a year ago. But the new system for online searches, online registrations continues to work better and better. The people in corporations branch should be commended. So to the extent that you pass things along that come up here, corporations branch and personal property registry — which is the newest one that's come on — are both working out really well. I know personal property registry is through ISC, but if you want to pass it on, we continue to hear good things.

And I understand from the Chair that they wish to take a short break before we move on to dealing with the Bills.

Hon. Mr. Quennell: — Mr. Chair, I just wanted to say, I just wanted to thank Mr. Morgan for his input. And of course we will pass on his comments.

The Chair: — Did Mr. Morgan want to deal with the estimates now before we . . . Do you want to vote them off?

Mr. Morgan: — Sure. Okay.

The Chair: — I would prefer that. So then the committee will now deal with the estimates for the Department of Justice, vote 3, which can be found on page 107 of the Estimates book. And central management and services (JU01) for 21,698,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Courts and civil justice is (JU03). The amount to be voted is 32,171,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Marketplace regulations (JU07), there the amount to be voted is 5,219,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Legal and policy services (JU04), the amount there to be voted is 23,147,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Community justice (JU05) in the amount of 128,621,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Boards and commissions (JU08) in the amount of 23,565,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Courts capital (JU11), 4,250,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Amortization of capital assets, there's no vote there. It's 1,100,000.

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2008, the following sums for the Department of Justice, \$238,671,000.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — I will invite Mr. Trew to move that the resolution . . .

Mr. Trew: — Mr. Chair, I so move.

The Chair: — Mr. Trew has moved the resolution. Is that agreed?

Some Hon. Members: — Agreed.

[Vote 3 agreed to.]

The Chair: — Carried. Okay. That concludes the estimates for the Department of Justice. At this time we'll take a 10-minute break and allow everybody to stretch their legs and so on and so forth. And the committee will reconvene at exactly 9:30.

[The committee recessed for a period of time.]

Bill No. 10 — The Limitations Amendment Act

Clause 1

The Chair: — We'll reconvene the Standing Committee on Intergovernmental Affairs and Infrastructure. The next item of business on the order sheet here is the consideration of Bill No. 10, The Limitations Amendment Act, 2006. Mr. Minister, if you would introduce your official please.

Hon. Mr. Quennell: — Thank you, Mr. Chair. Madeleine Robertson, Crown counsel, legislative services branch, has rejoined me.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Hon. Mr. Quennell: — I do have an opening statement.

The Chair: — Oh I'm sorry.

Hon. Mr. Quennell: — It's very brief, Mr. Chair.

The Chair: — Your brief statement.

Hon. Mr. Quennell: — It may or may not shorten the number of questions. The Limitations Act was passed in the 2004 legislative session and came into force on May 1, 2005. That Act significantly modernized the limitation system and added clarity, consistency, and rationality to this area of the law. It has been very well received by the legal profession.

This proposed Bill makes some changes to that legislation to ensure greater certainty, accuracy, and clarification — three areas within the limitations legislation. In one case this involves a correction, and in the other two cases the amendments remove the potential for unintended possible interpretations

One amendment provides the acknowledgement that a debt is owing must be made in writing and must be made to the person to whom the debt is owing. Another amendment provides that for claims for contribution and indemnity is sought by one alleged wrongdoer against another, the limitation period starts around from the day the first alleged wrongdoer is served with the claim. The third amendment clarifies that for claims for renewal of court judgments or orders for payment of money, a fixed 10-year limitation period applies for the purpose of enforcing the order.

These amendments will prevent litigation to determine the intent of the provisions and increase the certainty in application of limitation periods to civil actions. Thank you, Mr. Chair.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — Thank you, Mr. Chair. It's always troubling when we pass legislation, and we find ourselves back with a whole series of amendments a year or two later that probably should have been caught, and it raises a whole issue of timing when we put things through the House and the need for consultation.

Having said that, one of the things that's in this legislation deals with a change where we're changing the ultimate limitation period or creating an ultimate limitation period, rather than moving to the date of discoverability, but a maximum of 10 or 15 years depending on the circumstance. I'm wondering what consultation took place with industry professionals and with in particular the Trial Lawyers Association or people that would represent plaintiffs that may be adversely affected by this.

Hon. Mr. Quennell: — Mr. Chair, first of all, Mr. Morgan's point is well taken. I think it's more embarrassing for those of us legislators, such as Mr. Morgan and myself, who are lawyers. I know that Mr. Morgan had a number of questions about the Bill originally and didn't catch these possible areas of misinterpretation either. That said, it's a point well taken. It would have been better if the Act had been perfectly clear when we first brought it forward, and I trust that these three amendments will clarify possible areas of misinterpretation that lawyers have brought to the department's attention since the Bill was passed.

And after the consultation that took place originally, we didn't do broad consultation on these changes because the intent of these changes is to confirm the intent of The Limitations Act. And we did do broad-based consultations on The Limitations Act, and I don't know if we discussed that when the Act was before committee originally, but I believe we did. The paper was sent to about 60 individuals and organizations, and approximately one-half of those responded.

Mr. Morgan: — The changes not dealt with in here that was one of the significant ones was to change the obligation on a debt from a six-year limitation period to a two, which was probably the most dramatic change for a lending institution or financial creditors. And I'm wondering, has there been significant feedback, either negative or positive, with regard to that?

Hon. Mr. Quennell: — The department has not heard any negative comments in respect to the legislation.

Mr. Morgan: — It was a bold step forward at the time and was just, you know, at the time it was going through there was some financial institutions that had contacted us saying, is this appropriate? We took a position with them at the time, if you are a lender or a creditor and you work your own receivables for the first three months and then it takes another three months to work through a collection agency and add another three after that to refer it to a legal counsel, you should still be able to have an action started within a year. So if you use that as a year and then double it, this was the rationale that we put forward when we made the decision to support the Bill.

So our position at this point remains unchanged. We haven't heard anything back, but certainly because it was such a significant change we'd like to invite the department to

continue to listen. In any event I have no further questions with regard to this.

I am surprised that the minister is attempting to blame the opposition for what were initially drafting errors in the Bill, but perhaps we'll maybe change the minister sometime, and we'll do a better job of scrutinizing them so. In any event, Mr. Chair, we are now ready to proceed to vote the Bill.

The Chair: — Mr. Minister.

Hon. Mr. Quennell: — I don't want any misunderstanding to continue. I was not suggesting that the opposition should be blamed for drafting errors. That wasn't my . . . I was just saying that all members of the Legislative Assembly, on whatever side of the House they sit, have a responsibility to legislation. And we, in this case we all could've done a better job but certainly the primary responsibility rests on me.

The Chair: — Thank you, Mr. Minister. Seeing no further questions, the committee will now deal with the Bill. Clause 1, short title, is that agreed?

[Clause 1 agreed to.]

[Clauses 2 to 9 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 10, An Act to amend The Limitations Act. I'll invite a member to move that the committee report the Bill without amendment.

Mr. Trew: — Mr. Chairman, I move that the committee report Bill 10 without amendment.

The Chair: — Mr. Trew has moved the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Bill No. 19 — The Securities Amendment Act, 2006 (No. 2)

Clause 1

The Chair: — The next item of business before the committee is the consideration of Bill No. 19, The Securities Amendment Act, 2006. Mr. Minister, if you'll introduce your officials, please.

Hon. Mr. Quennell: — Mr. Chair, to my right is Tim Epp, Crown counsel, legislative services, and to my left is Barb Shourounis, executive director, securities division, Saskatchewan Financial Services Commission. And I have a brief opening statement, not as brief as the previous one but hopefully not too long, or I hope not too long, Mr. Chair.

The Chair: — We'll have your opening statement now if you please.

Hon. Mr. Quennell: — I will read the executive summary, Mr.

Chair.

The Securities Amendment Act, 2006 (No. 2) contains a series of amendments that will further the implementation of the passport system of securities regulation. In 2004 provincial and territorial ministers responsible for securities regulation agreed to establish a passport system that will provide a single window of access for market participants across Canada. In addition the passport agreement calls for highly harmonized, streamlined, and simplified securities laws; a council of ministers to facilitate change and ongoing co-operation; and commitment to explore options for further reform.

An important objective of the passport system is to establish a harmonized securities regulatory regime where market participants can access capital markets throughout Canada by dealing with one regulator and one set of laws.

The passport system initially applied to areas where there was already a high degree of harmonization across jurisdictions. Phase 2 of the passport system, represented in part by this Bill, includes a series of provisions that adopt uniform definitions and repeal administrative provisions relating to registration, prospectus, continuous disclosure, insider reporting, and takeover and issuer bids. The repealed provisions will be replaced with uniform provisions in a series of regulations that will apply in all jurisdictions.

This Bill also contains significant protection for investors. Currently all Canadian jurisdictions have legislation that provides for a statutory right of action against an insurer for fraud or misrepresentation in offering documents to investors who purchase securities in the primary capital market, which is that part of the capital market where new securities are issued.

This Bill gives similar statutory rights of action to investors who trade in the secondary market, which is the financial market for trading of securities that have already been issued. The secondary market makes up by far the greater part of security transactions conducted each day in Canada. Under the new provisions, investors purchasing shares in the secondary market will have the same right of action against an insurer for misrepresentations or failure to disclose material changes in their business that they have when obtaining shares directly from the issuer.

This Bill also gives the Saskatchewan commission the power to order that a person or company who has contravened Saskatchewan securities laws must repay financial losses to investors to a maximum of \$100,000 for each investor.

Further amendments update and harmonize the commission's administrative and enforcement powers in a wide range of areas, including continuous disclosure, front running, trading and securities with knowledge of funds' trading intentions, increased administrative penalties, and the power to make an order against someone convicted of securities related criminal offence.

In addition the Bill includes several amendments not specifically related to the passport system. These include the repeal requirement for mineral lease brokers to register under the Act. Saskatchewan is one of only two jurisdictions in

Canada that regulates mineral lease brokers in this fashion and the only jurisdiction to regulate such brokers under securities legislation.

The commission has not been receiving complaints regarding the industry, and the public interest no longer requires regulation of brokers in this manner. This change will lessen the administrative costs of carrying on business for mineral lease brokers in Saskatchewan and further the harmonization of registration categories across Canada.

This Bill reflects Saskatchewan's ongoing commitment to the passport system and securities regulation in Canada. Amendments seek to continue the harmonization of regulatory requirements and lessen compliance costs for Canadian businesses as well as increase protection for those who invest in them.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — Mr. Chair, the opposition Saskatchewan Party is supportive of any legislation that makes it easier to deal with securities, easier to raise capital, and easier to promote business interests in our province. So in the general sense, Mr. Chair, this Bill is the type of Bill that we would want to support and be supportive of. We've had the opportunity to review this Bill and I only have a very few questions of the department officials.

We'd like to know the nature of consultation with the industry in this province that took place. Who was contacted for purposes of consultation, and what responses were received from within the province?

Mr. Epp: — Generally, sir . . . it's Tim Epp, legislative services. Generally the answer is that the Canadian securities administrators on a broad-based front would have done considerable consultation, including the publication of a lot of the provisions and the national instruments that will ultimately be adopted through this legislation on a nation-wide basis. And those would be published on the website in each individual jurisdiction.

Now in terms of specific consultation, other than publishing it on the Saskatchewan website, getting comments back on those national instruments, the specific legislation here was . . . We consulted directly with the Canadian Bar Association business law sections which, by and large, comprise most of the securities bar in the province, and so that would have been the direct consultation that was done in that regard.

We can also advise that, in terms of issuers, in terms of the corporations in Saskatchewan who do public issues of securities, they all have staff which are quite up-to-date on these provisions as well as the national instruments, which will subsequently come into force simply through the Canadian Securities Administrators and the website which they follow on an ongoing basis.

Mr. Morgan: — The consultation that would have taken place with the securities brokers — you relied on the Canadian securities association for that consultation — the consultation that they had done, because you didn't contact brokers within the province. Is that . . .

Mr. Epp: — Through the Canadian Securities Administrators, yes.

Mr. Morgan: — And your understanding is that there was no adverse feedback from them.

Mr. Epp: — No. I think generally, generally speaking, there's the capital market players — if I can use that word — have been very supportive of the passport, but there are those who suggest that it doesn't go quite far enough. And we have the ongoing debate about a single regulator in this country. However, as a general matter, there's been very strong support for the initiatives that are reflected in the legislation.

Mr. Morgan: — So your understanding then is the same as mine that, if anything, the Act should go further towards a single window system rather than the Act goes too far. Is that fair?

Hon. Mr. Quennell: — Mr. Chair, there are proponents of the passport system, and there are proponents of a single regulator. I don't want to make sweeping generalizations, but I believe it's fair to say that proponents of a single regulator welcome the harmonization involved in the passport system. And so they wouldn't be critics of this legislation and similar legislation across the country to harmonize security regulation. But they are proponents of a different method of regulating the industry. So I don't want to suggest that. It's just a matter of wanting to go further because of course going further to proponents of the passport system means moving further along in the passport system. For most proponents of the passport system that doesn't necessarily mean ending up with a single regulator.

Mr. Morgan: — Fair enough. We note that at the present time Ontario has chosen not to participate. Are they on board now? Or are they likely to be? Or which direction is Ontario going?

Hon. Mr. Quennell: — Mr. Chair, Ontario is proceeding with some of what is being proposed here. They are proceeding with harmonization on the law, and so they're co-operating with the other provinces in the country on harmonizing securities law. An Ontario minister, as a rule, participates when ministers responsible for securities meet.

They are not enacting all of the provisions that are here because they believe we should be moving to a single regulator, and so some of the statutory provisions about decision making are not going to be implemented in Ontario. I think the position that Ontario has taken, given that they disagree with the rest of the country about the desirability and necessity of a single regulator, is a responsible position in that they are moving forward on many of these provisions in respect to harmonization.

Mr. Morgan: — What is the status of the legislation in Manitoba, Alberta, and BC?

Hon. Mr. Quennell: — Mr. Chair, this is somewhat complex. There are provisions that are unique to the Saskatchewan legislation, you know; the lease brokers provision is one. That's an issue that needs to be dealt with in the province that doesn't need to be dealt with in other provinces. There are different provisions in the different provinces that are being dealt with at

a different time.

So there are, for example in each of the Western provinces, each province has either recently passed or has introduced legislation similar, but they won't all necessarily have the same provisions. Some of them will have been included in earlier legislation. Some of them will be included in future legislation. So it's not, it's not like we're all putting the same uniform Bill forward. And Alberta's passed it, and Manitoba's introduced it, and Saskatchewan is at the stage that we're at because the legislation will be different depending on what provisions were included in this set of legislation.

Committee members will recognize and certainly my caucus members recognize that every session has a securities amendment Act as we continue to harmonize and proceed with the passport system. We can provide what I'm told is a very detailed and complex chart about where all the provinces are at on the different provisions, and we're certainly willing to provide that, Mr. Chair. And that I think will provide all the detail anybody could want.

Mr. Morgan: — That would probably be beneficial so that we're able to answer the questions that are . . . My question — and I'm sorry if I made it overly complex — was I'm wanting to sort of know the general status of where it is in other provinces. And maybe it's been answered by your officials already, that all provinces are moving towards this. And what it would be — the timeline — to have this piece of legislation in force and all the necessary regulations so that it's fully operative?

Ms. Shourounis: — For the prospectus passport system of one decision by one regulator and that would have effect across the country, and a system of one law, that the current target is that would be in place by the end of this year, December 31, 2007. There will be a similar system in place for applications for discretionary exemption, again December 31, 2007.

For the registration system, we're a bit farther behind on that in terms of the one-law project that's been put out for comment. And because of its complexity and because there are some issues that haven't been dealt with and will be dealt with in a second publication, that's targeted to come into force June 2008, again in all jurisdictions except for Ontario. Ontario will adopt the uniform laws but will not adopt any instrument that creates a one-decision system.

Mr. Morgan: — Mr. Chair we're ready to vote this one. I think this one's a lengthy Bill so you . . . we do this one by parts. Is that . . .

The Chair: — I think we'll do this one by clause. There's a longer one that we'll do by parts if that's all right with you. If the committee's ready to deal with the Bill, we'll deal with short title, clause 1. Is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 69 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 19, An Act to amend The Securities Act, 1988.

I will invite a member to move that the committee report the Bill without amendment.

Mr. Trew: — Mr. Chairman, I move that the committee report this Bill without amendment.

The Chair: — Mr. Trew has moved that the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Bill No. 21 — The Evidence Amendment Act, 2006/Loi de 2006 modifiant la Loi sur la preuve

Clause 1

The Chair: — The next item before the committee will be Bill No. 21, The Evidence Amendment Act, 2006. Mr. Minister, if you'll be so kind as to introduce your officials

Hon. Mr. Quennell: — Yes, Mr. Chair. Madeleine Robertson has again rejoined me at the table, and she's seated to my left, and Tom Irvine is seated to my right. He's Crown counsel, constitutional law branch. And I have a brief opening statement.

The Chair: — We'll take your brief opening statement now, Mr. Minister.

Hon. Mr. Quennell: — Mr. Chair, these amendments to The Evidence Act will address the problem faced by potential defendants who would like to express regret or sympathy or offer a sincere apology for the injuries suffered by another person. This will allow individuals and organizations to make an apology without fearing legal liability in an existing or possible civil action. The Bill provides that an apology does not constitute an admission of fault and is not admissible as evidence in a court proceeding.

Historically individuals and organizations have been extremely reluctant to apologize for fear of having the apology treated as evidence of guilt and having the apology used against them in court. Also many insurance policies contain clauses that stipulate the policy will be void if the insured party has apologized.

The amendment recognizes that individuals and organizations have a natural and genuine need to apologize for injuries suffered by another and provides an avenue for them to express regret or sympathy or to apologize. The amendment provides that such expressions of sympathy or apology do not constitute an admission of fault and are not admissible as evidence in court proceedings. The provision also provides that an apology does not void insurance coverage that would otherwise be available.

The Saskatchewan Ombudsman's commented favourably on

this Bill. In November 2006 he said:

... when citizens believe the provincial government has been unfair to them, the common courtesy of an apology can go a long way. "We have found that, when people come to our office, an apology is often the first step in restoring positive relationships so other discussions can take place, and in some instances, the apology itself satisfies the complainant. Unfortunately, if it could be used later as an admission of guilt in a court of law, a 'sorry' can be tough to get."

We will be proposing a House amendment to this Bill. The amendment will substitute certain words to ensure clarity and to prevent confusion. In particular it will remove the word "matter" and substitute "event or occurrence" when referring to circumstances to which an apology relates; remove the word "actions" and substitute "act" when referring to words and acts of the person who is apologizing and specify that the legislation applies to civil proceedings.

This House amendment addresses a concern raised by a judge who contacted officials after introduction of the legislation to request clarification as to whether the legislation applies to prosecution of offences. This is not the intent. The House amendments will ensure clarity and prevent problems of interpretation of the legislation.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — Mr. Chair, earlier this evening we received a copy of a proposed amendment to this Bill. I'm the Deputy House Leader on our side of the House and the House Leader works hard to try and make accommodations to ensure that everything happens in an orderly and timely manner. We have a Minister of Justice who has chosen to accuse us of holding up Bills and has made every kind of a problem for us and then at this time serves us with an amendment to this Bill. The amendment date is March 19, 2007.

I look at it; it's nothing of any great consequence. Why he couldn't have extended the courtesy to ensure that the opposition party had this weeks or months ago is, frankly, Mr. Chairman, absolutely unacceptable and wrong.

We're going to deal with this Bill. But I want to put this minister and that government on notice that if they want to get out of here on time and they want us to honour agreements that are there, they can't breach them by introducing House amendments that have not been discussed, have not been forwarded to this side of the House in a timely manner. We may well have wanted to go back and have further consultation with stakeholders, have further consultation with our caucus members. To have it served on us at a time when we're in the advanced stages of trying to pass this legislation is something that is not workable for this side of the House.

We're prepared to go ahead and deal with this Bill, but I want to make it abundantly clear that this is something that will not be tolerated and will not be acceptable. It's my intention, Mr. Chair, to speak to the Government House Leader and take it up with him as something that is unacceptable from that side of the House and will not be tolerated in the future. It's something that

our party, if in government, would never do to anyone else and we don't expect it from there.

This Bill in simple form is not a complex Bill. It's a Bill that will probably give the government some sufficient ability to make apologies when they're facing with a situation such as the Martensville situation, and we're supportive of this type of thing because we like to see situations resolved. And in a general sense I have no questions of the government officials and am prepared to vote on this Bill as amended. But I want to put it on record and put it strongly on record that it's not acceptable for the government to introduce amendments at this point in time.

Hon. Mr. Quennell: — Mr. Chair, I don't want to discourage Mr. Morgan from speaking to the Government House Leader. I want to say that any inconvenience that was caused to the opposition was inadvertent and based on a misunderstanding by the department of what the appropriate procedure would be and that in the future we will strive to have amendments — and even amendments that, as Mr. Morgan points out, only clarify the intent of the Bill — to the opposition much more timely than happened in this case. I wasn't aware that he did not have them until today. And I don't mean to be ironic or amusing when I say, I apologize.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — I have nothing further.

The Chair: — Seeing no further questions, we will now deal with the Bill, Bill No. 21. Short title, clause 1, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

The Chair: — Clause 2, is that agreed . . . [inaudible interjection] . . . Oops, pardon me. Clause 2, Mr. Iwanchuk.

Clause 2

Mr. Iwanchuk: — . . . proposed amendments in clause 2. Mr. Chair, this is in English. And the French version, I will not be attempting the French version, but I hope the English will suffice.

Amend Clause 2 of the printed Bill:

(a) . . .

(i) in subsection 23.1(1) of *The Evidence Act*, as being enacted by Clause 2 of the printed Bill:

(A) by striking out “actions” wherever it appears and in each case substituting “acts”; and

(B) by striking out “matter” and substituting “event or occurrence”;

(ii) in subsection 23.1(2) of *The Evidence Act*, as being enacted by Clause 2 of the printed Bill, by striking out “matter” wherever it appears and in each

case substituting “event or occurrence”; and

(iii) in subsection 23.1(3) of *The Evidence Act*, as being enacted by Clause 2 of the printed Bill:

(A) by striking out “any matter” and substituting “any event or occurrence”;

(B) by adding “in any action or matter” after “is not admissible”; and

(C) by striking out “that matter” and substituting “that event or occurrence”;

I so move.

The Chair: — Thank you, Mr. Iwanchuk. Is the amendment agreed?

Some Hon. Members: — Agreed.

The Chair: — Clause 2 as amended, is that agreed?

Some Hon. Members: — Agreed.

[Clause 2 as amended agreed to.]

[Clause 3 agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act to amend *The Evidence Act*. I'll invite a member to move the Bill be reported with amendment.

Mr. Trew: — Mr. Chairman, I move that the committee report this Bill with amendment.

The Chair: — Mr. Trew has moved the committee report the Bill with amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. The next item of business before the committee will be the consideration of Bill No. 23, *The Securities Transfer Act*.

Bill No. 23 — The Securities Transfer Act

Clause 1

The Chair: — Mr. Minister, would you introduce your officials.

Mr. Morgan: — Perhaps we could just do the question while the minister decides whether he wants to do an opening statement, and maybe the opening statement may be unnecessary. My questions, Mr. Chair, are whether there's been consultation and who the consultation was with, and what the status is of this type of arrangement is with other provinces. And if that forgoes the need for a statement, so much the better.

Hon. Mr. Quennell: — The statement has been shortened somewhat, Mr. Chair, and it might help if there's a statement on

the record as to the intent of the legislation. Joining me is Darcy McGovern, Crown counsel, sitting to my left, and to my right is Tim Epp, Crown counsel.

The Securities Transfer Act is new, harmonized legislation that will be introduced by all Canadian jurisdictions to govern the transfer and holding of securities and interests in securities. It is important to distinguish this new Act from securities regulatory law which governs how securities are issued and traded. That law is contained in The Securities Act, 1988 and the significant body of regulations under that Act.

This legislation on the other hand is commercial property transfer law that deals with only one narrow aspect of securities transaction — the transfer of property that occurs in the settlement of a securities transaction. Currently this area of the laws is governed by provisions in The Business Corporations Act, The Personal Property Security Act, and The Executions Act. This Bill repeals outdated provisions in those Acts and replaces them with modern provisions that reflect modern realities of the securities settlement process.

Provisions in our current legislation are still largely based upon a direct holding system in which the owners of securities had a direct relationship with the issuer of the securities. In the past, securities owners typically had share certificates in their possession evidencing their interest in a corporation. Today most securities are held through an indirect holding system where shareholders do not hold actual certificates evidencing their share interest. Instead the interests of an investor are recorded in the books of an intermediary such as a broker who in turn often has its interest recorded in the books of another intermediary, and so on up a chain of interest. Virtually all of these transactions in this system are recorded through computerized book entries.

To remain current with international protocols represented by The Hague Conference on Private International Law and the Uniform Commercial Code in the United States, it's necessary for Canadian jurisdictions to adopt new legislation. Ontario and Alberta introduced legislation in the spring of 2006. BC has also passed legislation that has not been yet proclaimed, and all other provinces and territories have indicated their willingness to enact harmonized legislation by 2007. The enactment of this legislation will provide a sound and modern legal foundation for existing practices.

The new Act will not require market participants in Saskatchewan or any other jurisdiction to change their current practices, but rather will provide legal sanction and support to current practices.

Inconsistencies in the clearing and settlement of securities transactions carry enormous potential for risk to capital markets. The overriding policy goal of this legislation is to maintain the competitiveness of Canada's capital markets by ensuring that legislation in each jurisdiction has the same substantive effect as the Uniform Commercial Code, thereby eliminating risk and increasing the competitiveness of and confidence in Canada's capital markets. Thank you, Mr. Chair.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — Thank you, Mr. Chair. In a general sense, this Bill is, I have the similar comments to what I had made earlier about wanting to support anything that makes the transfer and negotiation of securities easier and in turn of course make it easier to raise capital for business ventures in our province.

My questions are quite straightforward and somewhat shorter than the minister's introductory statement. I'm inquiring as to what the status is in the other provinces, from Ontario west, and what consultation has taken place with industry in this province.

Hon. Mr. Quennell: — The task force of the Canadian Securities Administrators at the request of the Uniform Law Conference of Canada has led the development of the proposed legislation. And as I said in my opening statement — and I trust at least that part of it was helpful — this doesn't change practices but clarifies and codifies current practices.

The CSA [Canadian Securities Administrators] task force worked closely with the PPSA [personal property security Acts] working group of the Uniform Law Conference of Canada in developing the draft legislation. Considerable consultation was undertaken by the CSA. In June 2002 the CSA broadly circulated a draft of the USTA [Uniform Securities Transfer Act] as well as a draft consequential amendments to personal property security legislation. The result of the comments and consultations undertaken by the CSA task force as well as by the Uniform Law Conference of Canada and the current interprovincial working group are reflected in the current amendments.

There are only a handful of organizations and individuals in Saskatchewan who are familiar with this area of the law and the securities industry. Those individuals and groups have been kept abreast of this legislative initiative through the CSA, that is the Canadian Securities Administrators. However the department consulted, with respect to the proposed legislation and proposed consequential amendments to Saskatchewan legislation, with the business law section of the Saskatchewan branch of the Canadian Bar Association as well as individuals in private practice and at the College of Law, University of Saskatchewan. However, due to the specialized nature of this legislation, general consultation with the public was not required and I would probably say not useful.

The Chair: — Mr. Morgan.

Mr. Morgan: — We're ready to go.

The Chair: — With the committee's indulgence, because of the size of the Bill we'll deal with this Bill in parts. Part 1, clause 1 through 9. Is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 109 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: An Act respecting the Transfer of Securities and to make consequential amendments to other Acts.

I'll invite a member to move the Bill be reported without amendment.

Mr. Trew: — Mr. Chairman, I'm happy to move that the committee report this Bill without amendment.

The Chair: — Mr. Trew has moved the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Bill No. 44 — The Class Actions Amendment Act, 2007/Loi de 2007 modifiant la Loi sur les recours collectifs

Clause 1

The Chair: — The next item of business before the committee is Bill No. 44, The Class Actions Amendment Act, 2007. Mr. Minister, if you will reintroduce your official.

Hon. Mr. Quennell: — Thank you, Mr. Chair. I've been rejoined by Madeleine Robertson, Crown counsel, legislative services. I have a brief opening statement.

Class actions provide an avenue for claims to be brought to the court collectively that could not be economically brought individually. In 2001, in *Dutton versus Western Canada Shopping Centres Inc.*, Chief Justice McLachlin and the Supreme Court of Canada wrote the following about class actions, quote:

The class action plays an important role in today's world. The rise of mass production, the diversification of corporate ownership, the advent of the mega-corporation, and the recognition of environmental wrongs have all contributed to its growth. A faulty product may be sold to numerous consumers. Corporate mismanagement may bring loss to a large number of shareholders. Discriminatory policies may affect entire categories of employees. Environmental pollution may have consequences for citizens all over the country . . . The class action offers a means of efficiently resolving such disputes in a manner that is fair to all parties.

Most provinces, including Saskatchewan, have passed class action legislation. In Saskatchewan The Class Actions Act is based on the Uniform Law Conference of Canada class proceedings Act adopted in 1996. The broader availability of class actions has give rise to much uncertainty and confusion where parallel class actions are commenced in several provinces. The Uniform Law Conference of Canada, recognizing that issues need to be addressed with respect to multi-jurisdictional class actions, has considered the issue with proposed recommended legislative provisions.

The Uniform Law Conference report states that unless conflicts can be resolved, the potential for chaos and confusion remains high. Potential class members could find themselves included in more than one class action and could be subject to conflicting determinations. Defendant and class counsel may be plagued by uncertainty as to the size and composition of the class and it

will be difficult to determine with certainty which class members will be bound by which decisions.

The Uniform Law Conference has proposed amendments to address these issues. Our proposed amendments are, like our current Act, based on the draft amendments recommended by the Uniform Law Conference. The amendments provide that a class action commenced in Saskatchewan automatically includes non-Saskatchewan residents as class members. These members can opt out of a multi-jurisdictional class action. This is the opposite of the current approach whereby non-residents are not members of a class action in Saskatchewan unless they opt in to the class.

The Canadian Bar Association, Saskatchewan branch, in February 2006 has taken a position in favour of the opt-out model for multi-jurisdictional classes. The Bill makes the change requested by the Canadian Bar Association and recommended by the Uniform Law Conference. The amendments also set out a process to be followed by parties and courts to resolve the multiplicity of class actions in different provinces.

Notice is an important factor in this respect and the new provisions require notice of any certification application to be given to class counsel involved in similar class actions in other provinces. A new online registry established by the Canadian Bar Association allows class counsel and potential class members to inform themselves of class actions.

The amendments provide that a court must be guided by specified objectives and consider certain specified criteria to determine which jurisdiction would be the most suitable forum for a multi-jurisdictional class action. A court considering certification is not limited to an order certifying or not certifying a multi-jurisdictional class action. For example the court could refuse to certify a portion of the proposed class action. These amendments modify our class actions legislation in recognition of the reality that parallel class actions in many jurisdictions respecting the same subject matter are very common, and if anything are likely to become more common. Having rules in place to deal with this reality promotes consistency, efficiency, and rationality in these complex cases.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — Thank you, Mr. Chair. The comments from the Supreme Court dealing with class actions are accurate and fair comments. We live in an increasingly complex world where there are many small claims that cross across different legal jurisdictions and in fact different countries, and arise with a commonality that invites actions to be tried by way of a class action. Over the years class actions have been dealt with by rules of court and now by methods that file litigation.

We are generally supportive of this type of legislation because it allows for class actions to be certified. It gives greater certainty to litigants that are going forward.

I had indicated to the government officials before that we have received some inquiries dealing with the proposed section of 6.1(1) that talks about Saskatchewan being the appropriate forum for an action to be tried rather than an appropriate

jurisdiction for a matter to be tried. And I think it's certainly possible that a class action could be tried in a number of different jurisdictions, and it may be more than one that would be appropriate. So the individuals that are contacting us are certainly making a valid point, and I don't know whether the minister or his officials have a response to that query.

We certainly want the legislation to go ahead because we believe it's both necessary and appropriate. But we share that concern.

Hon. Mr. Quennell: — Mr. Chair, one of the purposes of the amendments is to prevent, where possible, a multiplicity of actions. And in my opening remarks I set out all the difficulties with having a number of parallel actions and the confusion that arises from those actions. The issue that's been raised I think goes to the heart of whether we try to bring about a reform that removes that source of chaos and confusion.

That said, the impact of the class actions legislation, the impact of this particular legislation amending The Class Actions Act, needs to be carefully monitored because the purpose is to provide greater access to Saskatchewan citizens to justice as the purpose of the legislation. If it's not achieving that purpose and can achieve that purpose better with amendments, then those amendments should be made. And whether that purpose, overarching purpose of the legislation is being achieved, will have to be monitored. We believe that this legislation does achieve that purpose, and that one of the ways of achieving that purpose is to remove the confusion that comes from parallel actions which do not assist plaintiffs any more than they assist defendants if they cause confusion about the application of determinations in different actions.

So I appreciate legitimate concerns raised by individuals in Saskatchewan that remind us that the overarching purpose of the legislation is to provide greater access to justice to Saskatchewan citizens, and we'll have to ensure that the legislation does do that.

Mr. Morgan: — We'll certainly be wanting to watch how the legislation's applied and the challenges that litigants face as they go forward with it to ensure that it adequately meets their needs. We share the concerns that are put forward. In any event, Mr. Chair, we're ready to proceed to vote on this one.

The Chair: — Thank you, Mr. Morgan. The committee will now deal with the Bill. Clause 1, short title. Is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 12 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 44, An Act to amend The Class Actions Act. I would invite a member to move that the committee report the Bill without amendment.

Mr. Trew: — Mr. Chairman, I move that the committee report Bill No. 44 without amendment.

The Chair: — Mr. Trew has moved that the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Bill No. 47 — The Fatal Accidents Amendment Act, 2007

Clause 1

The Chair: — The next item of business before the committee is The Class Actions Amendment Act. No, pardon me, The Fatal Accidents Amendment Act, 2007. Wrong category. That would be Bill No. 47. Mr. Minister, if you would introduce your officials please.

Hon. Mr. Quennell: — Thank you, Mr. Chair. Sitting to my left is Sharon Carson, Crown counsel, legislative services branch.

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

Hon. Mr. Quennell: — I do, yes. You anticipate me, Mr. Chair.

The Fatal Accidents Act allows family members of deceased persons to recover damages where the death was the result of another person's wrongdoing. The wrongdoing must be such that the deceased would have been entitled to maintain an action or recover damages if he or she had lived.

Presently the Act allows the recovery of non-economic damages for grief and loss of guidance, care, and companionship. The Act allows spouses, parents, and minor children to recover these non-economic damages in the amount specified in the Act. The Act allows minor children of the deceased to recover \$30,000. Presently there is no ability for adult children to recover any damages for grief and the loss of guidance, care, and companionship on the death of a parent. The proposed amendment will remove the restriction of these non-economic damages to minor children. It will allow children of all ages, not just children who are under the age of 18, to recover damages for grief and loss of guidance, care, and companionship when a parent dies as a result of a wrongful act.

This amendment will ensure that the Act meets the requirements of the Canadian Charter of Rights and Freedoms. In 2004 the Alberta Court of Appeal struck down an Alberta provision that restricted the recovery of non-monetary damages to minor children. The court found that restricting the award of damages for grief and the loss of care, guidance, and companionship on the basis of the child's age contravenes the equality of rights in the Charter. The court considered that the grief a child feels on the death of a parent is not dependent upon the age of the child.

The amendment will apply to deaths that occurred on or after August 1, 2004. This is the same date that the original provisions allowing for the recovery of non-economic damages came into force. This date was chosen for application of the amendment so that there's a consistency in all cases for awards

of non-economic damages. The amendment will not apply to any action which there has been a judgment or settlement prior to the coming into force of the amendment. This is also consistent with the transition provisions that apply with respect to the original provision of non-economic damages.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — Mr. Chair, thank you. This particular Bill I want to commend the legislative drafting and the legislative services people for bringing this forward. In all likelihood we would be facing a constitutional challenge to our existing legislation if there isn't one already pending. So by passage of this Bill we avoid the costs of litigation that would no doubt be successful on the part of the applicant, so we save the government some money. And we are sending a message that we support the things that the Charter of Rights is doing, that we recognize that not just children suffer loss when a parent or guardian dies, but that that can happen to an adult as well. So we're recognizing that loss of guidance, care, and companionship and grief applies to all ages. So it's an appropriate thing for us to pass. So we're certainly supportive of that and we want to see the Bill passed.

I'm wondering whether the minister or his officials are aware of — and I appreciate that this date for retroactivity was chosen to tie with the other legislation — but I'm wondering whether we are, by picking that date, precluding other claims that may be in existence of which we're not aware or if there are others that we are aware that might be pending.

Hon. Mr. Quennell: — Mr. Chair, the department's not aware of any claims that would fall into the gap. And as I explained in the opening statement, the reason for the date — which I know was a question that was raised in debate in the House — was to ensure that it concurred with the date when this legislature first provided for non-economic damages.

Mr. Morgan: — The reason for my question, Mr. Chair, is if we pass this as we should, I would hate to see the province served with a notice under The Constitutional Questions Act later on to challenge that date if there's a pending claim. So if they're not aware of claims, and it's unlikely at this point in time after, that there might be, then I'm prepared to go ahead with it.

Hon. Mr. Quennell: — Mr. Chair, I am reluctant somewhat to go into uncharted waters without a lot of consideration to that question Mr. Morgan raises. But I suppose the other alternative that the legislature had — and the government certainly wouldn't have supported this — is to repeal the provisions in respect to non-economic damages. Because the issue that was before the court in Alberta as I understand it, and the issue that calls the Charter of Rights and Freedoms and its application into this matter, is the discrimination. If you're going to provide . . . [inaudible] . . . damages to one group, you should be providing it to the other group as well. And so I don't believe that there will be a problem.

We started on August 1, 2004 providing these damages, the ability to be awarded these damages, to one group; and as of that date we will be providing it to the other group without discrimination. So I don't believe there should be any issue.

Mr. Morgan: — The issue is that, before that they had whatever they were entitled to in common law. This under the Act is a prescribed value for the damages, which is fine. But what you're doing is we could potentially have the common law . . . But in any event, having said that, I'm ready to vote.

The Chair: — Not seeing any further questions, the committee will now deal with the Bill. Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 5 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 47, An Act to amend The Fatal Accidents Act.

I would invite a member to move that the committee report the Bill without amendment.

Mr. Trew: — Mr. Chairman, I move that the committee report Bill No. 47 without amendment.

The Chair: — Mr. Trew has moved the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Bill No. 49 — The Mortgage Brokerages and Mortgage Administrators Act

Clause 1

The Chair: — The next item of business before the committee is the consideration of Bill No. 49, The Mortgage Brokerages and Mortgage Administrators Act. Mr. Minister, will you introduce your officials please.

Hon. Mr. Quennell: — Thank you, Mr. Chair. Seated to my far left is Roger Sobotkiewicz, legal analyst, Saskatchewan Financial Services Commission; to my immediate left is Karen Pflanzner, Crown counsel, legislative services branch; and to my right, Maria Markatos, Crown counsel, legislative services branch. I have a brief opening statement.

The Chair: — Thank you, Mr. Minister, we'll take your statement now.

Hon. Mr. Quennell: — Thank you, Mr. Chair. I believe it will be my last opening statement of the evening. It'll be my closing opening statement, Mr. Chair.

The Mortgage Brokerages and Mortgage Administrators Act is a new Act which will replace The Mortgage Brokers Act and modernize Saskatchewan's mortgage brokerage legislation.

The existing mortgage brokers Act was originally enacted in 1967 and has not kept pace with this industry, which has seen tremendous growth in the past few years. The new legislation

establishes four categories.

Licences: businesses that broker mortgages will require a mortgage brokerage licence; individuals that broker mortgages on behalf of mortgage brokerages will require a broker's or an associate's licence; and businesses that administer mortgages for investors will require a mortgage administrator's licence.

The Bill provides for a brokerage model for the sector and requires every mortgage brokerage to appoint a principal broker to act as its compliance officer. These measures will ensure that individual brokers and associates are supervised and acting in accordance with the Act.

The Bill also provides for requirements surrounding the handling of trust property, disclosure to borrowers and investors, financial security applicants, and licensees, and will require mortgage businesses to act in the best interests of borrowers and private investors.

The new legislation will also update the administrative framework for the regulation of this industry, including the superintendent's investigative and enforcement powers to ensure the regulation is effective.

The Chair: — Thank you, Mr. Minister. Mr. Morgan.

Mr. Morgan: — Thank you. Where did this legislation come from? Is this based on the Manitoba legislation?

Hon. Mr. Quennell: — Mr. Chair, in developing the Bill the department considered the legislation in all provinces in Canada. All provinces with the exception of New Brunswick and Prince Edward Island have legislation dealing with mortgage brokering. While we've attempted to harmonize Saskatchewan's legislation to the greatest extent possible with the legislation in other provinces, there are material differences in the legislation across the country. A number of the jurisdictions placed emphasis on different aspects or areas, so there are some notable differences among the jurisdictions.

The Bill most closely follows the approach taken in Ontario. Now Ontario has recently undertaken a comprehensive review of its mortgage brokerage legislation, and passed new legislation in the fall of 2006. And I can, if members of the committee want, outline some of the items of comparison between Saskatchewan and Ontario. And we do have some information as well as the information . . .

Mr. Morgan: — Perhaps the minister could just provide us with the comparison list so that when we get the obligation to answer questions when people call us, rather than just have you read it into the record, if you could provide us with it.

Hon. Mr. Quennell: — Some information on the Ontario legislation, which as I say is the model for the Saskatchewan . . . Well not the model, but the closest one to Saskatchewan.

Mr. Morgan: — If you can provide the spreadsheet that's got the differences and the similarities, whatever information that you've got, that would be . . .

Hon. Mr. Quennell: — Mr. Chair, as well for Alberta and

British Columbia, we will provide that to the committee.

Mr. Morgan: — That would be excellent. Do we have it for Manitoba as well?

Hon. Mr. Quennell: — We can, Mr. Chair, provide that as well.

Mr. Morgan: — Thank you. Our concern, Mr. Chair, is always when we pass this type of legislation we're regulating an industry that's an established long-term industry, and we're loath to pass legislation that's going to adversely impact them.

So my next question is the consultation with the industry in this province, and because this legislation does happen to be unique to this province I presume that there was some fairly significant consultation.

Hon. Mr. Quennell: — Mr. Chair, there were several rounds of consultation on the legislation. There's a rather extensive list, more than one page of the industry stakeholders that were canvassed for comments.

Mr. Morgan: — Perhaps the minister could just provide the list to us as well.

Hon. Mr. Quennell: — That's what I was going to suggest, Mr. Chair, is, further to Mr. Morgan's intervention, I'll provide the list as opposed to reading it out. But in addition to this list which I will provide to the committee, all mortgage brokers licensed or with licence applications pending in Saskatchewan were invited to comment, as well as all trust corporations licensed or with licence applications pending in Saskatchewan, as were all loan corporations licensed or licence applications pending in Saskatchewan, all financing corporations licensed or with licence applications pending in Saskatchewan, and all loan brokers registered or with registration applications pending in Saskatchewan, and finally all insurers licensed or with licence applications pending in Saskatchewan. They were all invited to comment, as well as a page and a half of other industries, stakeholders, the list of which I will provide to the committee as I've undertaken to do.

Mr. Morgan: — Thank you, Mr. Chair. Our concern is and continues to be we're regulating an industry with a piece of legislation unique to this province. And we're concerned whether we're adversely impacting people that are active in this industry. And we're concerned about the ability to raise funds. So in any event, we're prepared to vote this Bill subject to the minister providing us those undertakings.

The Chair: — Thank you, Mr. Morgan. Because of the size of the Bill, the committee members will be dealing with it in parts. Part 1, clauses 1 through 4. Is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 94 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as

follows: An Act respecting Mortgage Brokerages, Brokers, Associates and Mortgage Administrators and to make consequential amendments to The Saskatchewan Financial Services Commission Act. I'll invite a member to move that the Bill be reported without amendment.

Mr. Trew: — Mr. Chairman, I move that the committee report this Bill without amendment.

The Chair: — Mr. Trew has moved the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Northern Affairs
Vote 75**

The Chair: — The next item of business before the committee is the consideration of estimates for the Department of Northern Affairs, vote 75. This can be found on page 123 of the Estimates book. Is there any questions? Not seeing any, we will deal with the estimates. Central management and services (NA01) in the amount of 1,865,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Regional operations and financial programs (NA04) in the amount of 2,865,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Policy planning and research (NA03) in the amount of 893,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Northern mines monitoring secretariat (NA06) in the amount 408,000. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Amortization of capital assets is not an amount to be voted. It's 7,000.

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2008 the following sums for Northern Affairs, 6,031,000.

Is that agreed?

Some Hon. Members: — Agreed.

[Vote 75 agreed to.]

The Chair: — I'll invite a member to move such.

Mr. Trew: — Mr. Chairman, I move the resolution.

The Chair: — Mr. Trew moved a resolution. Is that agreed?

Some Hon. Members: — Agreed.

**General Revenue Fund
Lending and Investing Activities
Northern Affairs
Vote 163**

The Chair: — Now on page 170 of our Estimates book we will deal with Northern Affairs, vote 163. That's lending and investing activities, and that is in the amount of 2,500,000. Is that agreed?

Some Hon. Members: — Agreed.

[Vote 163 agreed to.]

The Chair: — Once again I'll ask a member to move the resolution, the resolution being:

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2008 the following sums for lending and investment activities, Northern Affairs, 2,500,000.

Is that agreed? I'll invite a member to move such.

Mr. Trew: — Mr. Chairman, I move the resolution.

The Chair: — Mr. Trew moved the resolution. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. That concludes the business before the committee this evening. I want to wish everybody a very pleasant evening, and I know you have lots of spare time before you want to, you know, tuck yourselves in and have a beddy-bye. So enjoy your spare time, and we'll see you all bright and early tomorrow morning. The committee now stands adjourned.

[The committee adjourned at 22:49.]