



# **STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND JUSTICE**

**Hansard Verbatim Report**

**No. 25 – April 19, 2010**



**Legislative Assembly of Saskatchewan**

**Twenty-sixth Legislature**

**STANDING COMMITTEE ON INTERGOVERNMENTAL  
AFFAIRS AND JUSTICE**

Mr. Warren Michelson, Chair  
Moose Jaw North

Mr. Kim Trew, Deputy Chair  
Regina Coronation Park

Mr. Greg Brkich  
Arm River-Watrous

Mr. Michael Chisholm  
Cut Knife-Turtleford

Mr. Wayne Elhard  
Cypress Hills

Ms. Deb Higgins  
Moose Jaw Wakamow

Mr. Delbert Kirsch  
Batoche

[The committee met at 19:00.]

**The Chair:** — Well good evening, ladies and gentlemen. Thank you for taking time out of your evening to be with us. We appreciate it. This is the Standing Committee on Intergovernmental Affairs and Justice, and we've got some work ahead of us tonight.

I'd like to just name the committee. I am the Chair, Warren Michelson. The other chair people are Wayne Elhard, Delbert Kirsch, Greg Brkich, Michael Chisholm, Kim Trew, and Deb Higgins.

As we get started we will be starting with the estimates tonight with the Justice and Attorney General vote no. 3. And I would ask the minister to . . . I'm sorry. Mr. Kirsch you've got a . . .

**Mr. Kirsch:** — Mr. Chair, due to the warmth in the Chamber, I'd make a motion that we're allowed to remove our jackets.

**The Chair:** — [Inaudible] . . . allowed to remove our jackets. Is everyone in favour of that?

**Some Hon. Members:** — Agreed.

**The Chair:** — Agreed. You've got permission to remove our jackets.

Mr. Minister, if you would like to remove your jacket and then introduce your officials, we'll get started. Thank you.

**General Revenue Fund  
Justice and Attorney General  
Vote 3**

**Subvote (JU01)**

**Hon. Mr. Morgan:** — Thank you very much, Mr. Chair. Good evening. I am pleased to be here tonight to provide highlights of my ministry's 2010-2011 financial plan and to answer your questions.

I am joined by a number of my officials from the ministry this evening. I'm joined at the table by Gerald Tegart, deputy minister and deputy attorney general; and Lee Anne Schienbein, executive assistant to the deputy minister of Justice.

I'm also joined in the Chamber tonight by Ken Acton, assistant deputy minister, courts and civil justice. Rod Crook, assistant deputy minister, regulatory services. Susan Amrud, executive director, public law. Rick Hischebett, executive director, civil law. Betty Ann Pottruff, executive director, policy, planning and evaluation. Jan Turner, executive director, community justice. Daryl Rayner, executive director, public prosecutions. Dave Tulloch, executive director, corporate services. Dorothy Riviere, executive director, human resources, Public Service Commission. And Dave Wild, Chair of the Saskatchewan Financial Services Commission.

At this time, I would like to provide you with a quick review of the Ministry of Justice and Attorney General's accomplishments over the past year. This will be followed by a

brief overview of the ministry's plan for 2010-2011 and the highlights of the ministry's budget. Following that I would be pleased to answer your questions.

As you know, the vision of our government is of a safe, secure, and prosperous Saskatchewan where people can raise a family, carry on business, and enjoy a high quality of life. My ministry took a number of steps in the past fiscal year to support this vision, and I would like to touch on a few of the highlights.

Last fall I met with the federal, provincial, and territorial ministers responsible for justice and public safety. We talked about a number of issues at that meeting, including one of particular importance to our province, that being missing persons, especially the alarming number of missing Aboriginal women and girls. My ministry strongly supports the development of a national missing person database as a means of sharing information across the country.

As well the ministers set priorities for legislative reforms to tackle organized crime and noted the progress already made with Bill C-25 on the issue of credit for time served and Bill S-4 which provides police and the courts with new tools to address identity theft.

I can assure you that I will continue to work with my counterparts in other jurisdictions on issues that address the safety and security of people in this province. For example, in December I wrote an open letter to the federal government to press Bill C-15 to be passed by the Senate without amendments. Proposed amendments from the Senate would have watered down the legislation by softening the proposed penalties imposed on criminals who prey upon young people and whose actions support organized crime.

We also need to do whatever we can to get drunk drivers, especially chronic offenders, off the streets of our Saskatchewan communities. That's why I support the decision of my ministry's public prosecution division to revise our policy on when jail time will be pursued in cases of repeat drunk drivers. The new policy, which we introduced in December, is one of the toughest in Canada. It takes direct aim at those offenders who hurt or kill others while drunk behind the wheel.

To assist the efforts of police agencies, our ministry added three new Crown prosecutors this year — one in Regina, another in Saskatoon, and a third in Prince Albert. These new prosecutors are focused specifically on getting violent offenders off the street and will complement the work being done by the police toward the same objective.

We also implemented a government-led seizure process under *The Seizure of Criminal Property Act*. This Act allows for the seizure of property that is being used for criminal activity or that is the result of criminal activity.

In addition my ministry invested \$210,000 to develop and implement a program to help victims of crime collect money owed to them under restitution orders.

From a legislative perspective, we also introduced amendments

to *The Credit Union Act* last year. Those amendments are the result of extensive consultations between officials from my ministry and representatives of SaskCentral. They represent the first significant changes to *The Credit Union Act* since the legislation was first introduced in 1998. I won't go into any great details on the amendments at this time other than to say they address the issues raised by the credit union system and maintain an appropriate balance between flexibility for credit unions in managing their business and regulatory oversight.

We are proud of the progress made on a number of fronts last year, and I'm pleased to now report on several highlights from our ministry's plan for the upcoming year. In the coming year, we will be implementing legislation or regulations in areas of interest to investors and consumers, including Bills dealing with mortgage brokers, payday lending, and ticket selling.

In conjunction with our counterparts in other provinces, we will work towards strengthening partnerships to achieve long-term economic goals. We will also continue to lobby the federal government to provide the provinces with the legislative tools we need to reduce the impact of criminal activity in our communities, particularly organized crime, gangs, and fraud. There are also plans in place to improve access to justice for children and families by addressing interpersonal violence and abuse and improving services to victims.

We are partnering and consulting with First Nations and Métis organizations and governments to make sure that our justice system addresses the needs of those communities.

We are also reviewing and reforming many of the systems that we use to ensure programs and services are delivered and managed according to best practices. Some of these system improvements include enhancements to maintenance enforcement, collection of money judgments, courts and corrections information databases, and community justice programming.

Our ministry budget supports justice programs through an investment of \$140.4 million that will be expensed in 2010-2011. This is a drop of \$3.7 million or a decline of 1.4 per cent from the 2009-2010 budget. The budget meets the challenges of today's fiscal environment while sustaining and enhancing core services, investing in key capital and programming areas, and reducing the size of government.

We will implement court system improvements to increase the effectiveness and efficiency, including more video conferencing sites for court appearances. Each year the Victims Fund receives a grant from the community services branch to support its operations. This year no grant is required. The Victims Fund will continue to maintain support for community-based organization and crime prevention through its cash reserves.

The transfer of the corporations branch to the Information Services Corporation will provide one-stop shopping for businesses in Saskatchewan. The corporations branch will be able to take advantage of the registry expertise, core competencies, and infrastructure of ISC [Information Services Corporation of Saskatchewan] to enhance and evolve service deliveries to the business community in the future.

The Saskatchewan Legal Aid Commission receives an additional \$262,000 this year to support its ongoing operations. This is an increase of 1.25 per cent over last year's budget.

The budget also provides four and a half million dollars in capital funding. This includes two and a half million dollars to continue construction of the new courthouse in Meadow Lake which will be completed in the fall of 2010. We will also invest \$500,000 for continued planning for the replacement of the court's legacy computer system. This work will be done together with our colleagues in the Ministry of Corrections, Public Safety and Policing. As well, one and a half million dollars will be spent to begin the replacement of the maintenance enforcement and interactive voice response automated telephone systems.

This budget and ministry plan will enable us to continue to work collaboratively with other ministries, other levels of government, policing services, the judiciary, community-based organizations, and the people of Saskatchewan to achieve our shared objectives. We are also taking steps to ensure that adequate funding is directed towards core programming and with an eye to improving the effectiveness of the ministry.

Those are the highlights, and now I would be pleased to answer your questions about the 2010-2011 plan and budget for the Ministry of Justice and Attorney General.

**The Chair:** — Thank you, Minister Morgan. Is there some questions? Mr. Forbes would like to ask some questions.

**Mr. Forbes:** — Thank you very much and I appreciate my colleague, the critic, who let me step in and ask a couple of quick questions before he gets to the main body. But I understand that first the question deals with some of the fees that are going up and particularly in the Office of Residential Tenancies. There's an application fee. Can you explain that and the need for that to go up?

**Hon. Mr. Morgan:** — I'm joined at the table by Rod Crook.

**Mr. Crook:** — The fees, residential tenancies are going up approximately \$150,000 per year. They currently bring in about \$300,000 per year, so that will bring the total revenue to about 450 for the office. The purpose behind the revenue increase is to have some of the, a greater proportion of the costs of the residential tenancies system borne by the users.

**Mr. Forbes:** — Now when you say it's going up 300, can you tell me what the specific fee is and how much the individual fee is that's going up?

**Mr. Crook:** — Yes. For the most part, the existing fees for various applications that are made is \$30. In some limited circumstances it's \$25, and in all cases the fee is going to \$50. I should point out that there's been no change in the existing arrangement that applications by tenants for return of security deposits are exempt from fees, and individuals that are receiving social assistance or income supplements such as OAS [Old Age Security] are also exempt from fees.

**Mr. Forbes:** — Thank you. You know, when we had talked about this — and I'm looking at the *Hansard* from December 1,

2008 — when we had talked about the amendment to residential tenancies, the Act that time, and there was a cut of \$50,000 at that point. There was a staff person that had gone from the office and there was a rationalization of that because there was going to be a change, a decrease, anticipated decrease of some 5,000 applications at that time because you changed the way that the applications were coming in. Had that come in? Have you seen fewer applications for disputes come in?

**Mr. Crook:** — Yes. That change was made in the way security deposits, disputes over security deposits are handled, and those savings were realized. At the end of the day though, the budget of the office is \$1.1 million approximately, and so there is a significant expenditure in this area, notwithstanding that change and the efficiencies that that resulted in.

**Mr. Forbes:** — Now did you did see the . . . Who's making most of the complaints or the applications? At the time, you were saying it was that the landlords were making most of the applications. Does that continue to be the case?

**Mr. Crook:** — Landlords make more than 90 per cent of the applications, and with respect to the particular change you were referring to on security deposits yes, at one point it was landlords that would make all of those applications, or most of those applications.

**Mr. Forbes:** — So this is going to hit the landlords more than the tenants, is what you're anticipating.

**Mr. Crook:** — Yes, but we feel that it's a reasonable increase when you compare it with the cost of the operation and with the typical fees in other jurisdictions. So this increase compares well with the fees in other provinces.

[19:15]

**Mr. Forbes:** — Do you get many applications or inquiries around rent increases?

**Mr. Crook:** — Yes, the office does receive a lot of inquiries in that area. I don't have specific statistics for you on the precise number, but yes.

**Mr. Forbes:** — Do you have a sense of where the problems arise out of the interpretation of the amendments that came forward a couple of years ago?

**Mr. Crook:** — I don't have any particular sense of that. The Rentalsman may have, or would have, a better sense of what is at issue in the individual disputes and whether some generalizations can be made, but I don't, sir.

**Hon. Mr. Morgan:** — The notice period for an increase in rent was increased from three months to six months. There was a limit placed on two increases per year so that the notice periods couldn't overlap. I know that there's been some questions as to how that's applied or calculated, or people weren't aware of that — both tenants and landlords that weren't aware. So part of it would be an informational issue. Some of the other inquiries might be people that are just concerned about high rents generally.

**Mr. Forbes:** — I'm hearing a question I think that it'd be, if there was some educational or some information about that would be worthwhile. And it's about . . . There seems to be more and more leases, and I think it's referred to in the Act as fixed-term leases like when you sign a one-year or two-year lease, and then it's laid out that there should only be so many increases within that term.

But the problem happens when you're in the final months of that, the final few months, and then they find out if you're going to renew the lease that in fact the lease has gone up. So it's not six months notice but it's a brand new lease. And so people are . . . And this interpretation I've heard is actually coming out of province from another province saying, this is how you get around it, is that the rent goes up. And I guess in one way that's it because you're signing a new lease. It's a new ball game, and so you should just accept it even though there's only been like two or three months notice really.

**Hon. Mr. Morgan:** — A lease has the . . . you know, continues through the term of the lease. The rent is dictated through the lease. There ordinarily would not be notices given during the term of the lease applying for the term of the lease.

Now a landlord may give notice at the end of the lease or the last six months of the lease for an increase that would come into effect afterwards. But the landlord would still have to comply with the provisions of the notice, provisions to increase it beyond that.

**Mr. Forbes:** — I'm glad to hear that because, you know, when I was a teacher we had a rolling contract. You assumed the old contract was in place until the new contract was signed. So are you saying that you can . . .

**Hon. Mr. Morgan:** — What my officials are advising me that at the end of a fixed-term lease that you're correct, that it is effectively a new ball game and that at that point, the rent would be reset. That may be something that should be looked at.

**Mr. Forbes:** — Well I'm glad to hear that too because I think that was not intentional, but something that I assumed when we had the six months. And you as minister were pretty firm on that, and that's what I assumed that was. So I appreciate that. So thank you. That was sort of the basis of my questions. Because I think people — if the fees are going up, and it's a pretty straightforward question they're having — that they just would like to have the answer for that and then move on.

So I don't have any further questions about the residential tenancies. I may follow up with you in terms of if you're going to pursue that because I would really encourage you to do that. So I think that . . . How could I . . . Is there some way, Mr. Minister, in terms of following up on that? Will you endeavour to take that back to your ministry to see how we could fix that?

**Hon. Mr. Morgan:** — If you don't hear back from me directly, feel free to give Mr. Crook a call. I'd like to give you his home phone number, but I don't have it. But call us at the ministry and we'll find out. We'll look into it.

**Mr. Forbes:** — Thank you. Because I know that that wasn't

your intention. Thank you.

Okay. Then the next one, and it deals with the domestic abuse outreach program, and I have a few questions with that. First, just sort of to understand how that's going to fit into the ministry now. What's the internal infrastructure for that?

**Hon. Mr. Morgan:** — We're joined by Jan Turner, who'll give you a background as to how the services will continue to be provided. I think you're likely aware that the program that existed in Saskatoon was unique and that in other parts of the province similar services but not identical services were provided. There wasn't a packaged program like there was in Saskatoon. So anyway I'll let Ms. Turner . . .

**Ms. Turner:** — Good evening. With respect to the services, as the minister's indicated, this was a particular arrangement that was available in Saskatoon. There were no other staff employed by then the Ministry of Social Services in any other place in the province. When those staff were reassigned in Social Services, it certainly produced a reaction, as you're aware, with the communities.

For the last few months, we've been engaged with the community organizations in Saskatoon through a facilitation for them to help us identify what the priorities will be and where we may go next in terms of those services. There has been a series of ongoing meetings involving all 14 of the agencies that have some dealings with the former outreach service, and we're seeking their advice on the next steps that we'll take.

The last meeting of that group was held last Wednesday, and I'm prepared to receive a report this week. We're hoping to find a proposal and a solution for this within the next two months or so.

**Mr. Forbes:** — Now is there — I want to understand how this fits into Justice — is there a branch or a unit or division in which you deal with this kind of violence?

**Ms. Turner:** — You may recall that last year the grants for services, family violence services for women's shelters and sexual assault centres and some of the residential services, were transferred from the Ministry of Social Services to Justice. At the time we formed a new, small branch, interpersonal violence and abuse unit, and it is now the responsibility for Justice to provide grants to the community agencies to provide these services.

**Mr. Forbes:** — So then Justice won't be providing direct services, but it's actually be a flow-through of funding to support CBOs [community-based organization] to provide services.

**Ms. Turner:** — Well as I mentioned, we had . . . The grants are now the responsibility of the Ministry of Justice. We received those grants from Social Services and we maintained those grants to the agencies. We understand there is a particular difficulty in Saskatoon, and we're working with those agencies to try to best understand what the next steps are.

You are correct. Justice does not have any front-line staff right now nor in the foreseeable future that would deliver those

services.

**Mr. Forbes:** — So it's not the intention of Justice to provide front-line services. They haven't, and that's not the view.

**Ms. Turner:** — You're correct. It is not our intent to do front-line service.

**Mr. Forbes:** — What are the funds look like for this year? Did you see . . . Is there an increase at all? Will there be resources for . . . You've talked about these consultations and a report that you're expecting to hear. Will there be support to make it happen?

**Ms. Turner:** — As you are probably aware, all of the community-based organizations received a lift of 1 per cent this year. And we're very pleased that we're able to do that. That's part of our task now, is to identify where we might find funding to be able to go forward with a new arrangement in Saskatoon.

**Mr. Forbes:** — So that will be a challenge. I think it's an important one. It was interesting. I think the history of the domestic abuse outreach program — if I have it right — actually was, it was part of a whole suite of family services that were in the core neighbourhood, and it was the last program really, basically, of that group of services.

And so it would be really . . . I wonder if the ministry, the minister, if you find when you've done this consultation . . . Sometimes it's interesting is you find out how good this program was or how we could do it better in Saskatchewan because it's a huge issue actually. And I think that it's one that we really need to pay attention to.

Is there a potential for this to have provincial ramifications in terms of you finding things, and you say, we should be doing more of this?

**Hon. Mr. Morgan:** — The problem that exists is we're trying to have the same level of service provided in every community or all the major centres. This one was a unique program to Saskatoon, and as much as there was some positives to the program, it was an expensive program the way it was structured.

So what the purpose of the review and the study will do, will hopefully will identify the key components that are necessary to be continued and ensure that we are able to provide those in Saskatoon and elsewhere through the province. But some of the things that were provided may well not continue to be provided.

**Mr. Forbes:** — I hope that you're able to find the resources. I know some of the points that were in there . . . And I think of the CBOs and some of the things they can do and some of the limitations they have, particularly when it came to the outreach support, going to the hospital, going to the police station, and going to court. That long-term relationship that the workers would have with the clients was very, very important. And it's also really important — and I think this is something from what I saw in the CBO summits through Social Services — was how we need to really support the CBOs so that they can have the quality of people working in CBOs to make a difference. And I think that that's hugely important.

So I do have a specific question that was asked of us from a client: what will be happening to the files of the women that were clients of the domestic outreach program? Where did all the materials go?

**Ms. Turner:** — At present those files are with Social Services. Those are Social Services files. There has been a short-term transition plan in place, and Family Service Saskatoon has stepped up and agreed to provide some limited services in the short term so that there would not be this gap in service. So the arrangement for the files would be worked through with the Ministry of Social Services and Family Service Saskatoon.

**Mr. Forbes:** — And I would hope that the clients would know, you know, in this age of privacy, that they would want to know what happened to their files as they are either sealed or destroyed or whatever happened, because these folks are pretty concerned about that. And things change in governments, but they just don't want to see the files go. So I made a commitment that I would ask this tonight.

And so we're looking forward to the outcome of the consultations. Will the outcomes be made public? How will you announce this? Because I do have a concern. Sometimes when we consult with stakeholders, they're the only ones who find out what's going on, and the rest of the public don't find out until something happens.

**Ms. Turner:** — My intention right now is, once we have had a chance to review the information, to go back again to the organizations and talk about some of the options that they've created for us and then certainly consult in the ministry about the next steps. The area is tremendously important, that people seeking those services know what to do and that all of the folks that can assist someone at that time of crisis is aware of what they need to do. You know, certainly that will continue to be our goal to have the best information possible.

**Mr. Forbes:** — And I certainly don't want to imply that CBOs aren't competent. They're very competent and for sure that they are. But what we try to do . . . And I think the ministry tries to strive for confidence in the system that the public has, and so one of the ways the public has confidence is to be in the know of what's happening beforehand as opposed to after the fact when the timing is not right.

So I would ask the minister if there's an extra-special effort to find the resources here, because I know it's one that's very meaningful to many people in Saskatoon and in fact right across the province.

**Hon. Mr. Morgan:** — The concern is well-taken and it's one I share. I've toured transition houses and have met with some of who . . . that work in it, and these are people that are going through some of the worst crises that they will face in their life. And thankfully, for most of them, it's a temporary thing and with some relatively good supports they can transition themselves to an improved life. So I appreciate your concerns and share them.

**Mr. Forbes:** — Thank you very much.

[19:30]

**The Chair:** — Thank you, Mr. Forbes. Mr. Quennell, you've got some questions?

**Mr. Quennell:** — First of all I want to thank Mr. Forbes for covering so ably the areas that he did. I think it's worthwhile that all the questions not be asked by the Justice critic or the assigned critic in any particular ministry, because people have various types of expertise and connections to the community, and sometimes a lawyer, in this particular case discussing with a lawyer how the justice system works, doesn't shed as much light as somebody bringing some other expertise to the table.

I also would encourage government members, at some point in some committee — perhaps not this one and perhaps not with the Justice minister — that they might have their own questions that I think would be interesting for all of us to hear as opposed to leaving entirely the opposition . . . And by the way, I thought that when I was a minister as well, and the government members would have been my own.

Just to go back briefly . . . And I appreciate we only have about another half-hour tonight, is that right, Mr. Chair of estimates? But more time for Justice estimates at some other occasion. Just to go back briefly to clarify, just so I understand the position, current legal position that the minister understands it to be and the minister's willingness to see this condition change.

After consulting with his officials, I think the minister's second position was — and I think it's the correct position — that in the case of a fixed-term lease, if six weeks or six days before a lease comes to an end the landlord says he'll be offering this property at another six-month lease or another one-year lease at a 50 per cent increase, that that's the notice the tenant gets. He gets the six weeks or he gets the six days towards the end of the lease because that lease isn't governed by the same notice period that the month-by-month leases are governed by. That the minister sees that that is not what was intended when the legislature agreed on the . . . or put in place the six-month notice with the two rental increases in a year.

And the minister will remember that there were amendments from the opposition to make it clearer that that meant two rent increases a year and not just overlapping notice periods. So I think if the minister does share Mr. Forbes' concern and our concern that six weeks or six days notice is not the intention of the legislature or adequate, about the only proper way of addressing this is by a Bill which we would hope to see, I would hope to see, in the fall legislative agenda. And if the minister would comment on that probability, I'd appreciate it.

**Hon. Mr. Morgan:** — Yes, the legislation deals with periodic tenancies, month-to-month or . . . It specifically does not include provisions that deal with a fixed-term tenancy under a lease. And at the end of the lease, our legislation is silent as to what takes place. So what we have in law is an end to the tenancy, and it's up to the parties to renegotiate at that point in time.

I'm going to ask my officials what kind of an interpretation the residential tenancies officials have been putting on that, whether they deem it to be a month-to-month or how they've applied it and whether it would be appropriate to consider a change to our regulations or to the legislation. We'll certainly have a look at

it.

**Mr. Quennell:** — Thank you. I want to touch at least on points that the minister highlighted in his opening remarks before we finish estimates for the evening. And one of them was on the policy in respect to drunk drivers and the minister's desire to ensure that — and I stand to be corrected if I paraphrase the minister wrongly — the minister's desire to see that that is a real remedy, that the Criminal Code provides for terms of imprisonment for chronic abuse, repeat drunk driving. And the minister would like to see, as I understand it, in egregious cases that the remedy is exercised perhaps more often and appropriately.

Now the minister and I both may express our moral outrage at chronic repeat drunk driving and express some desire for better use of the remedies that are there, but without actual change of practice, real change of practice, that's just politics. And I think the minister would agree with that.

So I want to go back to an announcement that the minister made I think in December of 2007 in which he had said he had sent a — and I think it made the front page of our hometown paper — in which he said he had sent a letter to prosecutors saying that he desired to see more seizure of vehicles, which is a remedy for this crime, than we had seen in the past.

I expect you will not have this at your fingertips, but we are coming back to estimates in Justice at a later point. I would like to know how many vehicles were seized under those provisions in 2006 and 2007, the two years before the minister's letter, and how many vehicles were seized in 2008, 2009, the two years after the minister's pronouncement. And then we may be able to better gauge the value of ministers' letters to prosecutors. So is that, Minister, is that acceptable? Can we get that information?

**Hon. Mr. Morgan:** — I'm advised by Mr. Rayner, the director of prosecutions, that there was none seized in the two years prior to 2007. We'll find out what took place since that point in time.

I think it's a fair question. And the caution that I'd like to put out now is, sometimes when you introduce a policy like that you may not be successful in seizing brand new Cadillacs; you sometimes get 10- and 20-year-old vehicles, and sometimes when you go to try and enforce that remedy, you find the vehicle is heavily encumbered. So the fruit that you might appear that you're going after may not always be quite as available as you might hope. You do get the effect of the public's denunciation of the wrongdoing.

In both of the policies were policies that emanated from the Crown prosecutors, and the most recent one was, in fact, one that they implemented, came forward with it. And of course I'm very supportive of that, but it was when it was driven by the . . . But we'll see what information we can locate for you.

**Mr. Quennell:** — Well, first of all, Mr. Chair, the minister doesn't need to make excuses in advance because there may very well have been a significant change in the number of vehicles seized. I don't know yet until I get the answer to the question. I secondly am not really concerned about the value of the vehicles. It's just really the number of seizures that actually

took place after the minister's announcement of a change of policy.

And I do appreciate that, in all likelihood, the suggestion probably did come from prosecutors, and I know that our public prosecutors are always looking for ways to improve the administration of justice.

**Hon. Mr. Morgan:** — I have enormous confidence. And Mr. Rayner can give you some indication as to the number of vehicles, and that may make your question unnecessary because he has some . . .

**Mr. Rayner:** — I could tell you that there's been less than five vehicles which have been seized. In terms of the specific number for each year, I'd have to come back and provide you with that information.

**Mr. Quennell:** — It would be five over the two-year period '08-09?

**Mr. Rayner:** — It'd be less than five. I think it would, I believe it's somewhere in the neighbourhood of three or four vehicles, but if you want the exact, specific number, I'll have to return and provide that to you for each year.

**Mr. Quennell:** — It was a very nice headline, Mr. Minister, for four vehicles in two years.

**Hon. Mr. Morgan:** — It had the effect of deterring anyone from driving while drunk. And if it saved one accident, it was a worthwhile endeavour and I support it. I followed it afterwards for a number of months and was told, well, they thought they had a vehicle. Then the vehicle would turn out to be encumbered so not worth going after, or the vehicle was owned by someone that would have incredible hardship because there was, you know, a person disabled in the family or whatever the reasons are.

So to the extent that we weren't doing this because we were wanting to build a fleet of vehicles, it certainly wasn't successful as far as building up a compound. But if it did get the message out that drinking and driving is not an acceptable practice, in that regard we would regard it as a success.

**Mr. Quennell:** — And I don't mean to sound critical, and I'm not critical of the minister's discussion this evening or any announcement that the minister might want to make about ensuring that the remedy of imprisonment is used appropriately as well. And there are, I mean, intangible, immeasurable effects to these announcements. And four vehicles is four more than zero.

The minister also referred to *The Seizure of Criminal Property Act*. Now here we've had a change, and the minister and I have both been here while this area of law has developed. Originally an Act that was brought in by the previous administration that primarily put the onus on making these applications for seizure of property on police chiefs and the appropriate person with the RCMP [Royal Canadian Mounted Police], it made it possible for the office of the Attorney General to do it, but that was obviously not the primary direction of the legislation.



The current administration has gone completely the other way — removed the ability of police chiefs and other police authorities to make these applications and rested the onus on making these applications entirely on the Ministry of Justice. And I think the minister, when he was critic, pointed out in his questions that almost zero — if not zero — applications had ever been made by police chiefs under the legislation in the short period of time that it existed. And I think the minister hoped that when his ministry took over making these applications and designated personnel to do that, that the legislation might be more effective.

And so it may only be about a year; it may even be less than a year that the legislation's been in effect. But has the ministry made any applications for the seizure of property, and what was the outcome of those applications?

**Hon. Mr. Morgan:** — We're joined by Rick Hischebett.

**Mr. Hischebett:** — The answer to that is yes, applications have been made. There are two applications currently in process before the courts.

**Mr. Quennell:** — Are those the first two applications?

**Mr. Hischebett:** — They are the first two applications.

**Mr. Quennell:** — And they're just in process now?

**Mr. Hischebett:** — They are in process now.

**Mr. Quennell:** — So that means the ministry has filed material with a court but we haven't heard back on the results yet.

**Mr. Hischebett:** — That's correct. The applications have been brought. They were brought recently. They are in the process of having the matters addressed by the court. I think they're adjourned at the moment but will be brought back relatively soon.

**Mr. Quennell:** — What type of property are we talking about?

**Mr. Hischebett:** — I don't know the particulars in each case. But in one case I am aware that cash is involved, and in another one I believe a vehicle is involved.

**Mr. Quennell:** — And do we know roughly the value of the property involved?

**Mr. Hischebett:** — I would sure hate to be wrong, but I believe it's somewhere in the range of \$5,000 for the cash, and I do not know the vehicle value. I'm sorry. And there actually may be other either implements of crime or proceeds of crime involved in those applications. I don't know the specifics of both of those.

**Mr. Quennell:** — This is not going to be something I'm greatly concerned about if this poses a lot of difficulty for your officials, Minister. But if we are coming back and we don't come back for another week or some period of time and it's reasonable to be more specific about my questions at that time, then I would appreciate that.

**Hon. Mr. Morgan:** — It's a fair question. We'll ask the officials to obtain the information. If we're not back here for an extended period of time, we'll provide it to you in writing.

**Mr. Quennell:** — Well I expect we'll be back before May 20, I would think.

**Hon. Mr. Morgan:** — I leave that to our respective House leaders. That's beyond my control, but the information is something that the officials are able to get.

[19:45]

**Mr. Quennell:** — Point well taken, Minister. Now on victims services, and the minister probably did not follow in detail my speech on the budget, but I did, because I'm Justice critic, express some concern about finding a savings in victims services. Now as I'm sure all the members of the Legislative Assembly are aware, and much of the public, the victims services' fund — and again I stand to be corrected if I'm oversimplifying — essentially two sources of money. The one is the surcharge, fine surcharge that judges may or may not impose, and the proceeds go into the fund. And the other of course is the grant from government.

And maybe this is a multi-pronged question. But my understanding is that over time it appears that sometimes judges slowly tend to move away from imposing the surcharge, or being persuaded in more and more cases that a surcharge can't be paid or shouldn't be paid by this particular offender, and that level of funding drops off. Is that a trend that happens on occasion that's got to be corrected in kind of an informal way? Because I appreciate the courts don't take direction from executive government. Are we on such a trend now? And if we are, is the money from surcharges going up, going down, holding steady, where are we?

**Hon. Mr. Morgan:** — We increased the size of the surcharges. They went in the . . . [inaudible] . . . some time ago, so that had the effect of increasing the revenue. It is the expectation of the prosecutors that they will ask for it wherever it's appropriate, and certainly cases where a person is going to be using fine option or things that are not going to generate the cash.

I think this is probably an issue that extends beyond our province, and I understand the federal government is looking to pass . . . introduce legislation that will have the effect of making the payments mandatory or that take the discretion away from the judges. So I haven't seen that, but I heard that was announced earlier today.

**Mr. Quennell:** — Does the minister think that that would be within the constitutional authority of the province if the federal government did not do that?

**Hon. Mr. Morgan:** — I've heard the media, and I don't know whether they're talking about only in the context of surcharges that would apply to federal offences or whether it would be ones would apply to other offences or not. And it's something I have not yet received a briefing note as to what the applicability would be.

The point I was making was I think the concern that you raise,

that judges may be somewhat reluctant to impose the surcharge, is probably a realistic concern. And I think we probably share it, and we'll want to watch it closely.

**Mr. Quennell:** — We're not in a drought or we don't know where we are as far as ordering of surcharges? Is it something that peaks and valleys, and are we in a peak or valley? Do we know that? And I want to return to this question, whether the province could do this, what the federal government is talking about, if the province could do it if the federal government doesn't?

**Hon. Mr. Morgan:** — I'm advised by Ms. Pottruff that the federal government is going to do it only with regard to our Criminal Code offences. So how that affects things under the various other pieces of legislation remains to be seen. And I have not asked for an opinion as to whether it's within their competency or not. I think Ms. Pottruff can probably answer the question as to whether our revenues are going up or down.

The caution that I raise is that, you know, we've raised the amount of what they would be, so whether it would indicate that there is, even if they're making more dollars, that maybe there's fewer of them that are there. Do you know the number of dollars that we received from . . . I'm told that in the large contingent of people that would rather be here tonight than doing anything else, they have this information.

**Ms. Turner:** — If I heard the question, the provincial surcharge seems to be increasing ever so slightly. We've been very pleased recently with some of the orders that we've received. There was a landmark in terms of the victim surcharge just recently, and we were very pleased to see that kind of settlement from the courts.

With respect to the longer question of whether there is real trends with the judiciary, it's something we'll look at, and we'll look at with other jurisdictions as well. But we're certainly . . . We don't see any decrease in the surcharges right now at all.

**Mr. Quennell:** — Now this is a question that just occurred to me now, the one I'm asking about constitutionality, because of the minister's comments about the federal government making this mandatory. And this is not an issue area where, unlike some areas I might get into later on another night, I have a concern about provincial jurisdiction being surrendered by this government. Because if the federal government wants to make these mandatory, then that's just fine with me.

But it seems to me that the province would have the constitutional authority, as being responsible for the Minister of Justice . . . administration of justice, to make the surcharges mandatory for provincial summary offences. And if the federal government did not make them mandatory for federal offences, Criminal Code offences, to make them mandatory for Criminal Code offences. And would the minister seek a briefing by his constitutional law branch on whether the government does indeed have that authority, and then have a policy discussion which we might talk about next year about whether the government would exercise that authority if indeed I'm correct and you do have it?

**Hon. Mr. Morgan:** — I will certainly be asking for a briefing

as to, firstly, the constitutionality and, secondly, the effectiveness. Prior to the announcement today, we were accepting of the position that was taken by the courts that they were exercising the discretion appropriately, and I don't think we had done any kind of an analysis to determine whether we disagreed with a great number of the judicial determinations.

But I think, given that the federal government has chosen to make the announcement, it's probably appropriate for us to look at whether we would want to apply similar type of legislation to offences beyond the Criminal Code and to determine whether it's something that we would want to mandate or whether we would want to leave some form of discretion with the courts. I think there's certainly individuals that do not have a lot of money that want to work off the fines through the fine option, through other options. There are certainly situations where it may not be appropriate to want to make the surcharge mandatory. But we'll look at it carefully.

**Mr. Quennell:** — I suppose a more general question. My recollection is that the victim services fund was always a little stretched and in part because we weren't seeing it all the time, the type of surcharges that we would like to have seen from the courts. The government's addressed that to a certain extent by the increases in the surcharges.

But is the minister — and I assume the answer to this is yes, so maybe it's a rhetorical question — but is the minister comfortable that the fund is so flush that the government can save a rather small amount of money in the greater scheme of things by not making the grant this year?

**Hon. Mr. Morgan:** — Yes, I believe that we can. Right now we're applying the funds carefully, and we want to ensure that we have a program that remains sustainable. To have an increase in the size of the program, increases that we can't sustain in subsequent years, is something we would want to be very cautious about doing. The sustainability of it is something that's important. And I say that without wanting to in any way minimize or take away from the needs of the victims.

**Mr. Quennell:** — I'm trying to find a subject matter that I can cover in less than five minutes, Mr. Chair.

**Hon. Mr. Morgan:** — If you wish to start on a subject that you have to come back to, that's fine.

**Mr. Quennell:** — Well I might even have to come back on this one too, the Legal Aid Commission. The minister said the increase was . . .

**Hon. Mr. Morgan:** — 1.25 per cent.

**Mr. Quennell:** — 1.25 per cent over last year. Now with salaries I don't expect that's even an inflationary increase. So do we have the prospect of a restraint or a diminution of services provided by the Legal Aid Commission because of this budget?

**Mr. Acton:** — Ken Acton, assistant deputy minister for courts. No, this . . . There was an increase of 262,000 for the Legal Aid Commission, and they're comfortable that that will allow them to continue providing services similar to last year. So they don't expect any reduction, reduction at all.

**Mr. Quennell:** — That handles salary pressures then?

**Mr. Acton:** — Yes, there's a portion of that that's estimated for a salary adjustment. And of course we'll see. That agreement hasn't been reached yet. So if it's something different, we'll have to deal with it.

**Mr. Quennell:** — Now the minister spoke about adding prosecutors and that's a commendable priority. And it's not exactly one-to-one because there is a private bar that deals with some of the issues that those prosecutors will be addressing, particularly organized crime and drug dealing issues. But increased prosecution does put pressure on legal aid. There's no corresponding addition to legal aid lawyers in this budget, I take it.

**Mr. Acton:** — There actually is funding for one additional position in legal aid.

**Mr. Quennell:** — Do we know what municipality that would be in?

**Mr. Acton:** — Yorkton.

**Mr. Quennell:** — Why there? Not that I have anything against Yorkton.

**Mr. Acton:** — They've had particular pressure in that area just given the balance between the number of prosecutors and the number of legal aid lawyers there.

**Mr. Quennell:** — All right. And this may be a question that I need information brought back when next we sit in Justice estimates. I believe that the federal share of funding for legal aid dropped steadily from 50 per cent pre-1995 till about, what, 14 per cent? Is that where we are at now?

**Hon. Mr. Morgan:** — We can give you the dollar amount. We'll have that here. But the federal funding in the 1990s was 50 per cent, or very close to, in most years. And since that time, the dollar value has stayed the same or increased very slightly. But the cost of operating the program has increased significantly, and the increase has been borne by the province. And I think . . . Do you have the number?

**Ms. Pottruff:** — Yes. We receive 4.2 million annually in legal aid funding from the federal government which is probably around 30 per cent of the cost of criminal legal aid, yes.

**Mr. Quennell:** — Mr. Chair, I think those will all be my questions for this evening. And I'll have to come back to some of these other areas when we reconvene for Justice estimates.

**The Chair:** — Thank you, Mr. Quennell. Mr. Minister, is there anything that you wanted to say in the next . . . just to wrap this portion up?

**Hon. Mr. Morgan:** — Yes. I would ordinarily like to thank the officials for having come out this evening, but I think most of them, I'm not sure how many of them are going to be here for the Bills that are coming up. But to those that are leaving, I would like to thank them for giving up one of the first nice spring evenings of the summer. But appreciate their valuable

work and their co-operation with both the ministry and with the opposition.

**The Chair:** — Well thank you very much. This concludes the discussions on vote 3. We will move into the Bills. We've got five Bills in front of us that we would like to cover tonight. And, Mr. Minister, if you are prepared, the item before the committee . . . We will start with Bill No. 112, *The Justices of the Peace Amendment Act, 2009*. I'll just let your committee members get seated, Mr. Minister.

[20:00]

**Bill No. 112 — *The Justices of the Peace  
Amendment Act, 2009/Loi de 2009 modifiant  
la Loi de 1988 sur les juges de paix***

**Clause 1**

**The Chair:** — Bill No. 112 will be the first one on the agenda, *The Justices of the Peace Amendment Act, 2009*. Mr. Minister, if you are ready, you could . . .

**Hon. Mr. Morgan:** — Yes, I am. I have a brief opening statement. I'm joined tonight by Chris Hambleton, Crown counsel, legislative services branch; Ken Acton, assistant deputy minister, courts and civil justice division; and by Darcy McGovern.

Mr. Chair, the key purpose of this legislation is to extend the age of retirement for justices of the peace from 65 years of age to 70 years of age. Justices of the peace serve an important role in the administration of Saskatchewan's criminal justice system, and ensuring that we have a sufficient number of these individuals is a priority for our government. Justices of the peace are most often retired people who are in their 50s and early 60s. They are well educated and have an abundance of life experience, and in most cases have held responsible jobs where they were required to make serious and complex decisions.

Once appointed, justices of the peace are trained, and they apprentice with another Justice of the Peace to gain some practical experience. If these individuals are appointed within only a few years of the current retirement age of 65, by the time they are fully trained, they are forced to leave the position. By extending the retirement age we will take further advantage of the services these individuals provide.

In addition, these amendments will remove the prohibition barring practising lawyers from acting as justices of the peace. Members of the province's legal profession are prime candidates for this position. The amendments continue to prohibit lawyers from acting as justices of the peace where they are in a conflict of interest, for example, practising criminal law or acting for or against either the provincial or federal government.

Lastly this Act will make several housekeeping amendments to modernize the language used in the legislation. I'm ready to take questions.

**The Chair:** — Thank you, Mr. Minister. Is there any questions? Mr. Quennell.

**Mr. Quennell:** — Thank you, Mr. Chair. I have my own view, but I would be interested in the minister's answer in respect to the current government's policy and the reasons for bringing forth this legislation and making the change this legislation makes compared to other options that are available. We have now in the news a Supreme Court justice in the United States of America deciding to retire at the age of 89 because that's when he decides to retire. And if he had wanted to carry on till he was 90 or 91, if he had lived so long, he could have done that.

Obviously the previous government, when it ended mandatory retirement, believed there should be a retirement age for justices of the peace and judges. And this government obviously believes there should be a retirement age as well. But what is the minister's reasoning for having any retirement age when you come to amend legislation like this, given the arguments for the legislation that primarily being done because we have a shortage of qualified, experienced people, and we're going to lose them if we force them to retire?

**Hon. Mr. Morgan:** — I think a number of other courts' legislation have either changed or it has been contemplated, changes that would change the retirement age for members of the judiciary from 65 to 70. So this is consistent with that.

The point you make of doing away with a retirement age is one that is often, the point is often the subject of some significant discussion. I think we should probably take the increase in retirement ages as being something we would regard as incremental. If we're able to increase it from 65 to 70 and people appear to be functioning well, at some point there may be a further occasion to consider making a change later on.

It's easier to assess somebody's fitness for employment when there's physical criteria, such as a firefighter or a police officer. But a member of the judiciary or an academic, it's a lot harder to assess a person's ability to make . . . [inaudible] . . . I've had some discussion with people at the university as to, as to at what point a professor should or should not be teaching. So I'm not advocating a position other than I think it's appropriate to increase it by five years.

**Mr. Quennell:** — For better or worse, the previous government decided not to keep a retirement age for academics but did for judges and justices of the peace. But the minister highlights that the issues are similar. I wasn't encouraging removal of the retirement period entirely, but I think the choice being made, I think it deserves to be some public discussion about why it's made.

It occurs to me, looking at the Bill, that we're dealing with two different cohorts of justices of the peace, and I'm not quite sure about the numbers in different . . . in the two groups. We have the group that the minister talked about, the people who this might even be almost a second career for them. They've reached the age of, you know, 60, 62, 63, 64, 65, and now we don't want to lose them, as this Bill would suggest that we no longer should lose them. And they do certain work in the courts. A lot of it's around scheduling, as the minister will know, in the criminal courts.

Then we have a different cohort. And the Bill or the consequential amendments Bill that comes after it refers to the

domestic violence Act. And there you have justices of the peace making decisions about orders under that Act which can be challenged in a Court of Queen's Bench. Those justices of the peace are often police officers who are also sworn in as justices of the peace. They are not of that age, I would think ordinarily, where we would be concerned about this Bill affecting them. But what is relatively the proportion of those two cohorts — that group that administers the court and then that group of people that have that designation so that they can really do that peacekeeping work in the front lines at the house where there's a threat of domestic violence?

**Mr. Acton:** — On the domestic violence issues, there are six justices of the peace that deal with telewarrants, victims of domestic violence, emergency protection orders. And so it's a very small number there, and I don't know the age where I kind of put that group is, but there's a small number that have specific expertise and training to deal with those particular matters. Then we have a group of court officials that work in the court as staff that are also appointed so that they can administer oaths. And then the bulk of the group are the other folks that we talk about, and a significant number are in the 50 year plus. And of course 50 is quite young now.

**Mr. Quennell:** — Fifty-three's quite young, actually. Even 54 might look pretty young pretty soon. Am I mistaken in my understanding that there are peace officers who are also justices of the peace for the efficacy of domestic violence orders?

**Mr. McGovern:** — Yes, under the current provisions the individuals that continue to be ineligible to be appointed as justices of the peace and that's the employees of the provincial government, Crown corps, members and employees of the RCMP or any municipal police force, members of the Corps of Commissionaires, members of the Board of Police Commissioners, and elected members of councils of municipalities. So they're disqualified by credential from serving in that capacity.

**Mr. Quennell:** — The procedure for domestic violence is for the officer to make an assessment on-site and then apply by this telewarrant, and we have justices of the peace who are expert in these particular questions?

**Mr. McGovern:** — That's right. The police's training, as you say, is specific. We have police training with respect to how to support an individual who's seeking to make that application, but the application is actually made to the independent JP [Justice of the Peace].

**Mr. Quennell:** — And so a Justice of the Peace under the age of 50 I take is a pretty rare creature now?

**Mr. Acton:** — I would think so. I don't have a breakdown.

**Mr. Quennell:** — I don't think I have any other questions.

**The Chair:** — Thank you, Mr. Quennell. Are there any other questions on this particular Bill? Yes, Mr. Elhard.

**Mr. Elhard:** — If I may, I notice that there is an exclusion in this Act for an elected member of a council or a municipality, but it's my understanding that an elected member of this

legislature could still operate as a Justice of the Peace. Is my understanding correct?

**Mr. McGovern:** — Yes, in terms of this legislation it doesn't provide for an express exclusion. Though what I'm trying to think of on my feet is, of course, is the members of *The Legislative Assembly and Executive Council Act* which does provide for certain restrictions with respect to members of this Assembly receiving payment from the Crown with respect to any given capacity.

So I think functionally that Act would speak to the concern. Certainly with respect to members of Executive Council, they would be prohibited by that Act from taking that. And as I recall 12 and 12(1) of that Act, that there may be an impact as well there, but I'd have to look a little more closely for the member.

**Mr. Elhard:** — If there was a situation where somebody was acting as a Justice of the Peace, had a commission as such and was elected to office, then would his position as a JP be grandfathered or would that person be asked to step aside?

**Mr. McGovern:** — The general process — and if I may speak to that more than specifically than the JP — the general process under that legislation now is a leave of absence without pay approach. For example if you're an official with the Crown or if you're a lineman with Power, the provisions in that legislation apply that you would be entitled through labour standards and the operation of the members of *The Legislative Assembly and Executive Council Act* to only proceed in that fashion if you have a leave of absence without pay.

**Mr. Elhard:** — Thank you.

**The Chair:** — Are there any other questions? Seeing none, just make a note that this a bilingual Bill so the adjustments will be made accordingly in both languages. Seeing none, clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 16 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts the following Bills: Bill No. 112, *The Justices of the Peace Amendment Act, 2009*. Is that agreed?

**Some Hon. Members:** — Agreed.

[20:15]

**The Chair:** — Carried. I would like to ask a member to move that we report Bill No. 112, *The Justices of the Peace Amendment Act, 2009* without amendment.

**Mr. Brkich:** — Mr. Chair, I will move Bill 112, *The Justices of the Peace Amendment Act, 2009* be now moved without amendment.

**The Chair:** — Mr. Brkich moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Thank you.

**Bill No. 113 — *The Justices of the Peace Consequential Amendments Act, 2009***

**Clause 1**

**The Chair:** — The item now before the committee is Bill No. 113, *The Justices of the Peace Consequential Amendments Act, 2009*. Mr. Minister, would you have some opening remarks with regard to this Bill?

**Hon. Mr. Morgan:** — I do, Mr. Chair. I am joined by the same officials as I was for the previous Bill, not surprisingly.

The key purpose of this legislation is to make amendments to seven other Acts which were required due to amendments in *The Justices of the Peace Amendment Act, 2009*. Consequential amendments were required where these seven other Acts referred to either non-presiding or presiding justices of the peace, since amendments proposed in *The Justices of the Peace Amendment Act, 2009* removed this wording from the title of the position. All individuals occupying this position will now simply be referred to as justices of the peace. These consequential amendments update the affected Acts accordingly.

**The Chair:** — Thank you, Mr. Minister. Are there any question from the committee? Seeing none, clause 1, short title. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[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 the following: Bill No. 113, *The Justices of the Peace Consequential Amendments Act, 2009*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would ask a member to move that we report Bill No. 113, *The Justices of the Peace Consequential Amendments Act, 2009* without amendment.

**Mr. Brkich:** — I will so move that Bill No. 113, *The Justices of the Peace Consequential Amendments Act, 2009* be now moved without amendment.

**The Chair:** — Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Thank you.

**Bill No. 115 — *The Queen's Bench Amendment Act, 2009***  
**(No. 2)/Loi n° 2 de 2009 modifiant la Loi de 1998 sur la Cour**  
**du Banc de la Reine**

**Clause 1**

**The Chair:** — The item now before the committee is Bill No. 115, *The Queen's Bench Amendment Act, 2009*. This is also a bilingual Bill. Mr. Minister, if you would like to have some opening comments, we'd appreciate it.

**Hon. Mr. Morgan:** — Thank you, Mr. Chair. I'm joined tonight by Darcy McGovern, senior crown counsel, legislative services branch; Tom Irvine, senior crown counsel, constitutional law branch; and Alan Jacobson, senior crown counsel, constitutional law branch as well.

This Act makes five amendments to *The Queen's Bench Act, 1998* to address a number of matters. The first amendment, I would note, allows for the enforcement of monetary penalties and costs award made by the agreement on internal trade panels in the same way as judgments of the Court of Queen's Bench. Manitoba, Quebec, Alberta, and the federal government have passed legislation respecting enforcement of panel awards of costs. All provinces have made a commitment to pass legislation to provide for enforcement of the agreement on internal trade panel awards, as this legislation proposes.

The previous trustee Act includes provisions for vesting orders where the court gives a judgment or order for sale of land or where a judgment is given for a specific performance of a contract concerning land. In its 2002 report on *The Trustee Act*, the Law Reform Commission of Saskatchewan stated that these are useful provisions, but recommended moving them from *The Trustee Act* to *The Queen's Bench Act, 1998*.

*The Queen's Bench Act* contains similar miscellaneous provisions relating to the powers of the court. The new trustee Act, 2009 is based on the recommendations of the commission and does not include these provisions. It is proposed to include them in *The Queen's Bench Act, 1998* as recommended.

One of the amendments will repeal *The Laws Declaratory Act* and include an equivalent provision in *The Queen's Bench Act, 1998*. The new section provides that if a judge, for example a small claims judge, has jurisdiction over a matter that relates to one of the rules of law in *The Queen's Bench Act, 1998*, he or she can use those rules in dealing with that issue. This ensures that all courts in the province apply these same rules of law and it promotes consistency in that regard.

The date for the reception of the English statute law is currently set for Saskatchewan in the *Northwest Territories Act* as July 15th, 1870, the date of the transfer of Rupert's Land from the Hudson's Bay Company of Canada. An amendment will repeal that provision for the purpose of this application to provincial law and re-enact it in *The Queen's Bench Act, 1998* as part of the various rules of law set out in this Act.

The inclusion in a provincial statute will make the provision more accessible to lawyers who must cite it in preparing materials for court. Currently they have to rely upon a statute volume that is over a century old and not found in most law

libraries.

The amendment will not change the legal effect of the provision. It will simply make it easier to find in the statutes.

Finally, this Act will abolish the common-law action for breach of promise to marry. The action is likely unconstitutional and does not reflect current societal views and expectations of persons intending to marry. Thank you, Mr. Chair. We're prepared to answer questions.

**The Chair:** — Thank you, Minister Morgan. Are there any questions? Mr. Forbes.

**Mr. Forbes:** — I have a couple of questions, and maybe we'll have a bit of discussion. It's about the new section 79.1, the breach of promise to marry abolished section. And I wanted to actually share with the minister a couple of stories. I think the Pages are out, though, photocopying something.

The reason that this has come to my attention, you know, when we're standing up making our second reading debates and we're talking about issues and potential things are out there — and I happened to be tasked with speaking about this Bill one night — and so I was talking about this section, breach of promise . . . [inaudible interjection] . . . Oh, here you are. Okay. If you could give this to the minister, thanks. And I have a couple of other copies. We could send one over to the other side as well.

And a couple of news stories happened out the very next day about some of the issues around marriage and . . . [inaudible interjection] . . . Well actually I meant for the government side there, so they may be wondering what I'm talking about. There.

What, in the news story, there was about brides on the Internet and the whole, that whole issue. And of course for many of us, that's a foreign world, we don't have too much to do with that at all. And it seemed to be a news story. And here's a news story that's talking about a fellow, actually from Martensville, a Mark Scrivener, and talking about bringing over brides from the Ukraine and the whole issue around promise of marriage when you get here. Because for people coming here, it's actually a big, big deal that somebody has actually promised that they will marry you. And I attach the second part. The second part is when I was reading the story, you'll see it refers to an immigrant . . . a women's immigrant centre in Edmonton, and they've started up a website.

And I just pulled off a couple pages. I searched the word promise, and I searched the word Saskatchewan, and both came up in that. And this is actually funded by the Alberta Law Foundation. Where Saskatchewan comes up, it talks about the idea, legal obligations of having children. And it talks about, in Saskatchewan, the legislation covering . . . that are ensuring that children are not mistreated or neglected is called *The Child and Family Services Act*. And of course we are very familiar with that. That's under review right now in Social Services.

But promise is a big deal and, so I'm curious to know whether you have thought about this in terms of this one section, the implications of this around brides coming to Canada under a guise of a promise, you know, and a promise of a new life. And of course for many it's more . . . Well I wouldn't say more, but

there are implications, financial implications — \$10,000 or \$5,000 that you have to post to come over. You may not have . . . English may not be your language and you've come here. And actually if you read through the story, it's quite a story actually. Have you thought about this? Has the ministry thought about the implications of removing this one section?

**Hon. Mr. Morgan:** — Going to give it some careful consideration. While you were making your remarks — but I see from the size of the font that I should have brought a microscope rather than my glasses — I don't think the purpose of the legislation was to address the protection that may or may not be needed by way of an out-of-country Internet romance. It's a piece of . . . It's part of our legal system, or our jurisprudence. It's been there for a great period of time, but I'm going to let Mr. Irvine comment on the history and maybe that will put it in a bit of perspective.

**Mr. Irvine:** — Thank you, Minister. The reason that this amendment was proposed is that there was actually a case that arose here in Saskatchewan five years ago. And there was a . . . The male fiancé was suing the female fiancée after the relationship broke up. And he alleged breach of promise to marry to cover the cost of the ring and honeymoon tickets, and the female ex-fiancée challenged it on the basis that the action was unconstitutional under section 15 of the Charter, the equality clause.

And we looked into it and we concluded that, although on the face of it it looks like an action that either one could bring, in fact as soon as you got into the details of it, it was based on extremely stereotypical views of the gender roles. There were defences available to men that were not available to the women. There were defences available to women that were not available to men. It was very much a model of the women's market value on the marriage market and some of the older cases actually use that phrase, the marriage market. And so in that sense, we concluded that it simply, it was no longer consistent with our modern Charter of Rights values.

I just quickly skimmed the material that you've given to us, and I think there are a couple of comments in response. In that case, the constitutional issue never got resolved because the judge ruled that he could deal with it under a modern principle such as unjust enrichment, which is a gender-neutral action. And it would seem to me that what you just said might apply in this. You might be able to rely on unjust enrichment in a similar situation if somebody is paid \$10,000 in that way on the understanding that they might be coming over because you would then be able to rely on a gender-neutral action that is acceptable under, consistent with the Charter.

The other thing is that if a person comes to Canada and enters into a relationship short of marriage and then it breaks up, there are the standard remedies for common-law couples that are now recognized. They are recognized as spouses through our family legislation. So I think that that . . . And again that's gender-neutral legislation that is meant to apply across the board. It isn't based on 18th century England and the conception of a woman's market value on the marriage market. It's based more on modern conceptions of the marital or common-law spousal relationship.

So I think that those two avenues would provide the courts with more flexibility to respond to concerns such as you're raising, but again on a gender-neutral basis that wouldn't be running into problems under the Charter which the common-law action of breach of promise to marry certainly does.

[20:30]

**Mr. Forbes:** — In terms of the finances, I mean there's actually two parties that would actually benefit when immigration happens. I mean in this case it would be the company that's bringing over the woman and is charging 5,000 probably to the man to bring the woman over. But there's also, I think in immigration cases, you have to post \$10,000 to the federal government. So I don't know if they would argue that they've been financially enriched and how that would work with that circumstance.

But you raise an interesting point about the 18th century, old English style, but this is — and I haven't given you nearly enough time to read — but this is what they're really talking about in this, is the whole traditional values. I mean they're pretty blatant about it. And it's really pretty abhorrent because that's exactly the world view that they're talking about, a traditional view of the . . .

There's a quote in here where it goes, that it's viewed, "I am the king of the family so it has to be 'my word is all.' [And] Of course, they see the Canadian woman not tolerating that." And it continues, "It's men from developed nations who feel they can buy [buy?] anything they want."

And so with that . . . And I'm not sure that this breach of promise is the answer that I'm looking for. But I'm worried.

I am interested because I did talk — and the minister may be aware — I think the group in Saskatoon that works on behalf of Ukrainian women, I believe it's called Nashi. And they do an awful lot of work in terms of women who are exploited in this fashion through international trade. And in the best-case scenario, it's really hopeful that there can be some connections and life goes on and everybody's happy, but the worst-case scenario is prostitution and the international rings of prostitution.

So is there a solution? Or how does the Saskatchewan law help women, immigrant women who may find themselves in Saskatchewan? I mean the story quotes somebody from Martensville, so it's not a story from down East or out in BC [British Columbia]. It's a story that was based out of Saskatchewan.

**Hon. Mr. Morgan:** — I'm going to invite my officials to try and provide what other remedies might be available. I think the situation that you raise is one that we should all be concerned with, and I think there's probably some significant tragedies that are visited on the victims of those type of schemes. I suspect there's not a lot of happy marriages come out of those things.

But in the context of this legislation, it's an outdated remedy that I don't think was ever contemplated to address that type of matter and that type of situation. And it existed in our laws. It

did not provide a useful remedy for anybody and actually was capable of abuse or capable of being misused, so I think for that reason we would want to see it removed as a cause of action.

But I don't know whether the officials that I have with me are going to be able to answer your question as broadly as you might, but I'll certainly invite them to answer what remedies may be available to those people.

**Mr. McGovern:** — Thank you, Mr. Minister. And I'd just mentioned a few scenarios in which different defences or different remedies may be brought, but I think it's going to be very much factually driven. I mean you yourself gave the example of where you have contracting adults who were very happy with the results, to a much darker situation. And obviously the result, the legal alternatives that are available to the different parties along that spectrum are fairly broad. And so I think I'd have to invite you to give us a little more specifics in terms of a scenario that then the ministry could follow up a little more directly with you, if that was possible.

**Mr. Forbes:** — I don't know if I could give you much more than what the story illustrates here. I mean it is pretty concrete. It's a company, Volga — A Volga Girl — you know, and it's a very specific story about the circumstances.

And I think that what's happening in Saskatchewan too is we're finding that we're becoming much more of a cosmopolitan province. At one time, you know, we've really strived hard to increase immigration in our province and it's becoming a reality, and so the reality is that now we need to be thinking about our law in a different way sometimes. And so I'm not . . . It's not that I don't want to do any more work on this, but I think this is probably . . . Me, if I were to rewrite this, I'd be rewriting the story.

And I know that there are some people in the province who were interested in the response to this, but they're not looking for this amendment not to happen. What they're looking for is what would be an appropriate solution to help women who find themselves in Saskatchewan, stranded in Saskatchewan, looking for a legal recourse.

**Mr. McGovern:** — To the member, you know, at this point that's where I'm forced, I think, to respond as a solicitor for the Attorney General to say, you know, having just received the article, that it's something that we can give further study to on a policy basis. I think that's a discussion that this can certainly initiate.

But in terms of specific organizations and how they conduct, I would be loath to comment specifically with respect to what might be a legal response because I'm just not sure. And that's the advice I would give to my minister and I think that's the advice we'd have to give to the Assembly at this point, is that we'll certainly take the article that you've provided and take a look at it and use that as information with respect to the policy development in that regard.

**A Member:** — We'd be glad to put it under a microscope.

**Mr. Forbes:** — Thank you. I appreciate that and if . . . Could I get a response from you folks? Just a general response further

down the road. It doesn't have to be a . . .

**Hon. Mr. Morgan:** — I'll ask Mr. McGovern to see that one is sent to you directly. Our caution on these things is always that, you know, we're providing legal advice to . . . You know, it's not our mandate to provide legal advice to citizens and we often don't have a complete factual background. So it'll be couched in very general terms.

**Mr. Forbes:** — I appreciate that. Thank you very much.

**The Chair:** — Mr. Forbes, thank you. Are there any other questions? Mr. Quennell.

**Mr. Quennell:** — Thank you, Mr. Chairman. I'm not sure I'll be very helpful in this respect but it's on the same amendment. So as I understand the argument in the ministry . . . And maybe I don't understand it quite right and therefore some clarification would be needed, at least for me. It's not that there are, in common law, different defences depending on one is male or female because those could be struck down as unconstitutional and still leave the provision itself.

As I understand the argument the government is making, and I don't disagree with it, is that the implications of the remedy suggest a archaic view of marriage as a property arrangement and perhaps even as having one of the members — one of the partners or what we would consider now a partner to the relationship — as a chattel or property, that the remedy itself predates even a woman's right to vote, for example.

So it's not so much the defences are unequal because the courts could correct that — those are common law defences — without striking down the remedy, but that the remedy itself has implications for how the institution is viewed that are archaic and perhaps, perhaps unconstitutional. And I would make the argument that if the ministry is right about that, the government is right about that, and I think they are, you could make the same argument to attack polygamy if the legal system in BC could ever get itself, gird up the courage to do that.

**Hon. Mr. Morgan:** — Your comment is probably a fair comment. I'm not going to make any comment on the polygamy portion of the statement. But up until that point, it was certainly a fair assessment.

**Mr. Quennell:** — I don't think I have any questions on any of the other housekeeping parts of the Bills. Thank you, Mr. Chair.

**The Chair:** — Thank you, Mr. Quennell. Mr. Brkich, did you have a comment?

**Mr. Brkich:** — Just to, if we're going to vote the Bill, I just want to note that this being a bilingual Bill, same as 112, that we will vote the French along with the English. Is that all right?

**The Chair:** — Do I hear the phrase *mais oui*? I think that was understood, but thank you for making sure that that's on the record. Are there any more questions or comments?

Seeing none, 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. 115, *The Queen's Bench Amendment Act, 2009*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would ask a member to move that we report Bill No. 115, *The Queen's Bench Amendment Act, 2009* (No. 2) without amendment.

**Mr. Brkich:** — I can so report that Bill 115, *The Queen's Bench Amendment Act, 2009* be reported without amendment.

**The Chair:** — Mr. Brkich made the motion. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Thank you.

**Bill No. 103 — *The Miscellaneous Statutes (Professional Discipline) Amendment Act, 2009***

**Clause 1**

**The Chair:** — Thank you. The committee will now consider Bill No. 103, *The Miscellaneous Statutes (Professional Discipline) Amendment Act, 2009*. Mr. Minister, if you would like to reintroduce your officials and make any opening comments?

**Hon. Mr. Morgan:** — Thank you, Mr. Chair. I'm joined tonight by Susan Amrud, executive director, public law division, and Maria Markatos, Crown counsel, legislative services branch.

Mr. Chair, *The Miscellaneous Statutes (Professional Discipline) Amendment Act, 2009* will amend some 40 of the province's professional statutes to allow disciplinary actions to proceed against former members for a period of two years after they cease to be members.

The Act responds to the gap in the legislation of the 40 self-regulated professional and occupational groups that does not contemplate measures commencing or proceeding against former members. This allows individuals to deliberately terminate their membership or fail to renew their licences in order to avoid disciplinary proceedings. This Act will ensure that an individual cannot stop a disciplinary investigation or proceeding by terminating his or her membership in a professional or occupational group.

Six Acts currently extend the scope of disciplinary proceedings to former members for a period of two years from the date they cease to be members. Two years provides a balance between the ability of the organization or regulatory body to enforce and certainty for individuals that proceedings will not be commenced years after they cease to be members of an organization.

The six Acts that contain provisions that allow for the discipline of former members are *The Legal Profession Act, 1990*, *The Medical Profession Act, 1981*, *The Pharmacy Act, 1996*, *The Real Estate Act, The Teachers' Federation Act, 2006*, *The Veterinarians Act, 1987*.

Thank you, Mr. Chair. We're prepared to answer questions.

**The Chair:** — Thank you, Mr. Minister. Are there any questions or comments on this Bill? Mr. Quennell.

**Mr. Quennell:** — Thank you. I expected the minister to mention in his list of Acts, the provincial court, the provincial judges' Act because the minister made, this government made that change.

**Hon. Mr. Morgan:** — Yes. I don't think it's listed as one of the six that are there, but *The Provincial Court Act* was amended earlier, the same time I think as their pension. There was a legislative change dealing with judges' pension. I think it was included in that Bill. But that's in force now.

[20:45]

**Mr. Quennell:** — The minister maybe has forgotten that he and I had quite a debate about the practical effect or need for such legislation at the time. And I don't see the point of having that debate again in respect to *The Forestry Professions Act*, so I'm not going to join it.

But I do note what's not here, and what's not here is police officers. What's here is foresters and, if there's any of those left in the province, agrologists, certified management accountants, chiropractors — a group that's been in the news recently — funeral cremation providers, but not police officers. And a whole list of others, but not police officers.

And there was some public concern expressed a while back — the minister might remember — about investigations, disciplinary investigations of police officers being secret. And the minister agreed with the chief of police, the relevant jurisdiction, when the controversy arose, that he had no difficulty with those investigations being secret. So why the different treatment between architects who can be disciplined for two years after they retire and, for example in this Bill, and police officers who the minister believes should not be disciplined after they retire. As a matter of fact, if they're even investigated while they're current police officers, the investigation shouldn't be public.

**Hon. Mr. Morgan:** — The point is one that was not . . . is well-taken. It was not an accidental oversight not to include police officers. Police officers have a unique disciplinary system. They are subject to the Public Complaints Commission. Frequently they are . . . The review that's done internally is one that includes the possibility of criminal charges being laid. Under *The Police Act, 1990*, municipal police officers are directly employed by their municipal police services under the direction of a local police chief. It is their employer, through the chief, who brings disciplinary charges against a member, not their independent professional body.

Accordingly the amendments to peer-based professions, the

legislation reflected do not translate well into the police employment model. I think the issue is that they enjoy a different position than were it a self-regulated profession.

Representatives of the chiefs of police, the municipal boards, and the association of police officers have all indicated this amendment to professional legislation is not desirable or beneficial in the current police employment relationship. So far we have taken their advice with respect to this matter.

I can also advise that there are currently reviews being undertaken with regard to *The Police Act* and doing an update on the processes that are in there. So we are prepared to leave it to whatever comes out of the updates of this Act, but at the present time it is not the wish of the chiefs, the federation, or the municipalities to have that included.

**Mr. Quennell:** — So the distinction the minister draws is between the self-regulating professions and the more command structure, say, of a police organization.

**Hon. Mr. Morgan:** — That's correct. Now I'm not saying that's, you know, that that's an entirely consistent approach everywhere you look. But that would certainly be . . . the places where we tried to . . . The 40 entities that we've included are ones where there was some form of professional governing body or some form of peer-to-peer disciplinary determination.

**Mr. Quennell:** — I don't think I have any other questions, Mr. Chair.

**The Chair:** — Thank you, Mr. Quennell. Are there any more questions or comments from any of the members? This Bill has 56 clauses. Is leave granted to review portions of this Bill by parts?

**Some Hon. Members:** — Agreed.

**The Chair:** — Agreed. Carried. Part 1, clause 1, short title. Is that agreed?

**Some Hon. Members:** — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 56 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and the consent of the Legislative Assembly of Saskatchewan enacts as following: Bill No. 103, *The Miscellaneous Statutes (Professional Discipline) Amendment Act, 2009*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would ask a member to move that we report Bill No. 103, *The Miscellaneous Statutes (Professional Discipline) Amendment Act, 2009* without amendment.

**Mr. Kirsch:** — I so move.

**The Chair:** — Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Thank you.

**Hon. Mr. Morgan:** — Mr. Chair, I'd like to thank on behalf of all the members of the committee I'd like to thank officials that are leaving. And we'll be now joined by other officials who are waiting in the wings.

**The Chair:** — Well thank you, Mr. Minister.

**Bill No. 101 — *The Credit Union  
Amendment Act, 2009 (No. 2)***

**Clause 1**

**The Chair:** — The next part of the agenda is the item before the committee, number . . . Bill No. 101, *The Credit Union Amendment Act, 2009 (No. 2)*. Mr. Minister, you do have some new officials with you now, and I would ask you to introduce them. And we will consider clause 1, the short title. If you have any opening remarks, please feel free to have them now.

**Hon. Mr. Morgan:** — Thank you, Mr. Chair. I am joined tonight by Catherine Benning, senior Crown counsel, legislative services branch, and Jim Hall, registrar of credit unions, Saskatchewan Financial Services Commission.

*The Credit Union Amendment Act, 2009 (No. 2)* is a result of co-operative efforts of Credit Union Central and ministry officials to complete the first thorough review of *The Credit Union Act, 1998* since it came into force a decade ago.

The Bill will facilitate a number of credit union initiatives. Most importantly, it will allow the creation of prairie central through the amalgamation of SaskCentral with the credit union centrals of Alberta and Manitoba. Prairie central will have a large asset and liquidity base to ensure that credit unions from across the Prairies have access to the liquidity and other central services that they need to continue their important role in the province's very competitive financial sector.

Saskatchewan has a history of strong leadership within the credit union system. The board of directors of a credit union plays a key part in the governance and strategic outlook for the credit union. This Bill contains amendments that ensure that only people of the highest character and integrity are eligible to be members of a credit union board or be an incorporator of a new credit union.

This Bill will assist credit unions to more efficiently operate their boards and interact with their members. A new process is being created to allow credit unions to reapprove a material contract where conflict of interest is discovered after the initial board approval. Currently a court order is required in this situation. The Bill also clarifies the process for terminating a person's membership in a credit union by requiring the internal credit union appeal process to be exhausted prior to an appeal to the registrar of credit unions.

This Bill is indicative of the strong relationship between the credit union system and government. It maintains the balance between flexibility for credit unions in managing their business and the government's ability to oversee this vital sector of the Saskatchewan economy.

Mr. Chair, we welcome questions regarding this Bill.

**The Chair:** — Thank you, Mr. Minister. Mr. Quennell, you have some questions.

**Mr. Quennell:** — Just a couple, Mr. Chair, I think. I'm pleased about a number of aspects of the Bill — and my questions are really just questions, not inherent criticisms like some of my questions might be inferred to be — and particularly pleased to see the provisions on coercive tied selling because I think . . . addressing concerns that are out there.

And officials or the minister may want to comment just on the changes in the environment and how credit unions are expanding, I guess, vertically integrating throughout the financial services industry, and how these changes may be inspired by some of that and in response to that.

**Hon. Mr. Morgan:** — I think I'm going let Mr. Hall make comments as well or Catherine if she wishes. The credit unions have become increasingly sophisticated. We're in a global financial market now where the credit unions are no longer merely a small community-based organization. You know, that's a proud heritage that they have, but right now most of them are multi-million dollar businesses.

They've, within the province, gone through a number of consolidations. We now have a large credit union in Saskatoon and Regina, and then a number of the rural ones have gone through amalgamations as well. And we're seeing the desire of Credit Union Central to amalgamate with the other two prairie provinces.

At the same time, there is a desire on the part of credit unions to provide other financial services other than being a deposit-taking and a lending institution, most notably insurance. There is no prohibition against a credit union selling insurance, but we have ensured that the provisions that the chartered banks have, with regard to restrictions about having insurance sold in the same location or the same environment, that they're on exactly the same playing field as chartered banks. And in fact some credit unions have purchased local insurance brokerages and would like to be able to see a greater degree of integration.

At the present, the position taken by the current government is the same one that was taken by the previous government with regard to wanting to have consistency with federal legislation.

Not wanting to go off on a point, I've enjoyed the relationship that I've had with Pam Skotnitsky and Ken Anderson at Credit Union Central. They've been competent, professional, and exceptionally good to deal with. When there's been issues or they've asked for legislation, they've come forward. We meet periodically, and it's a relationship that I value because of the competence and professionalism. I'm also proud to say that I'm also a credit union member.

I don't know whether you would like a comment from Mr. Hall as well.

**Mr. Forbes:** — Only if he thinks he needs to add anything. And of course as well as insurance there's also realty companies and I take it it's the policy of the government that

credit unions, in their ability to compete in insurance and in real estate, should be in no worse position than the federally regulated banks, but no better position either. Is that correct?

**Hon. Mr. Morgan:** — Exactly.

**Mr. Quennell:** — A couple of other areas. The provisions around the interests in a contract, material contract for directors or officers of a credit union, what the government's understanding of what an officer is, you know, to how low down the organizational chart one can go and still be an officer, I guess that's . . . We know who the directors are. The directors are the people elected by the members at the annual meeting.

[21:00]

And it seems to me that the change in the legislation as proposed addresses some things that I think happen — I think particularly in smaller corporations, but maybe that's unfair, and in credit unions — where directors and officers who . . . and other, and non-profits for that matter, directors and officers who work closely together, confuse the relationship. And directors who forget that they work with management and for the members and can, to their detriment and to the detriment of the corporation, the credit union, start to think that they work for management. And so it's very worthwhile to do as the Bill does to set out the very explicit terms under which there can be a conflict of interest, a material interest here.

I wonder . . . And I still want the question answered as to what the government considers to be an officer within the legislation. But I wonder if the ministry conducts any type of education of directors, non-profits, credit unions, corporations as to their liabilities and the kind of dangers they undertake or risks they undertake when they become representatives of shareholders or members or whoever in the case of a non-profit corporation they're actually supposed to be accountable to.

**Hon. Mr. Morgan:** — With regard to your question as regarding the definition of an officer, Ms. Benning has an answer as defined in the Act.

**Ms. Benning:** — The term officer is defined in the Act, and it includes the CEO [chief executive officer], secretary treasurer, CFO [chief financial officer], general manager, assistant general manager of a credit union, a person who performs functions for a credit union normally performed by a person mentioned in the first clause, and any officer that is provided for in the bylaws or resolution of the board of the credit union. So it's fairly expansive, but it is that top level of management.

**Hon. Mr. Morgan:** — With regard to the education question, I'll let Mr. Hall answer that.

**Mr. Hall:** — The Credit Union Deposit Guarantee Corporation regularly carries out education of directors. So it has an orientation for directors, and then it has continuing classes or instruction for directors, and it does this throughout the credit union system. The *Standards of Sound Business Practice* also set out the obligations of the directors and the obligations of the management in reporting to the directors, and what the responsibilities are of each and the expectations are of each, and requires the development of policies for the governance of the

credit union.

And then it does a regular audit of the credit unions on a risk basis. But all the credit unions are examined over a period of time, so if there are structural weaknesses in the meetings, you know, in the bylaws, the recording of the bylaws, those kinds of things, that would come out during those audits.

**Mr. Quennell:** — Those are audits conducted by whom?

**Mr. Hall:** — They're conducted by the Credit Union Deposit Guarantee Corporation.

**Mr. Quennell:** — Okay. And this legislation provides for, I think, a further distancing, if that's fair, from Credit Union Central of this regulator, Credit Union Deposit Guarantee Corporation.

**Mr. Hall:** — There is a separation between Credit Union Central and the deposit guarantee corporation. There was some previous amendments that expanded the board of the Credit Union Deposit Guarantee Corporation and added two additional directors who were independent. So between the government appointee and another independent director on there, there is a majority of so-called independents from the central itself.

**Mr. Quennell:** — This legislation doesn't add any further independents.

**Mr. Hall:** — No.

**Mr. Quennell:** — Or any further independent officers to that.

**Mr. Hall:** — Right.

**Mr. Quennell:** — Okay. And the government is satisfied that those earlier amendments go as far as we need to go in establishing that independence.

**Hon. Mr. Morgan:** — Yes, we are.

**Mr. Quennell:** — Right. Those are all my questions, Mr. Chair.

**The Chair:** — Thank you, Mr. Quennell. Are there any other, any more questions? Mr. Elhard.

**Mr. Elhard:** — Thank you, Mr. Chair. I was looking through the Bill earlier and just perused it again. I see where the number five years has been established as a benchmark for either criminal activities by any individual who might be associated with an election to a board or taking on a directorship position, and having served time, can't have happened within the five-year time frame. I guess the question I'm asking: in view of the issue surrounding white-collar crime, how did we arrive at the five-year benchmark? Is there a reason for identifying that specifically in the legislation?

**Ms. Benning:** — The five-year time frame lines up the time that needs to expire before you're eligible to apply for a pardon. And the five years is used as a guideline for those provincial offences under the Act in which you're not able to make an application for a pardon to the federal government. So we needed a time frame to have your essential penalty period

associated with the provincial offences to expire as well, to put them on equal grounding.

**Mr. Elhard:** — Thank you.

**The Chair:** — Thank you, Mr. Elhard. Are there any other questions or comments? Seeing none, clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 17 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. 101, *The Credit Union Amendment Act, 2009 (No. 2)*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would ask a member to move that we report Bill No. 101, *The Credit Union Amendment Act, 2009 (No. 2)* without amendment.

**Mr. Chisholm:** — I move that we adopt Bill No. 101, *The Credit Union Amendment Act, 2009 (No. 2)* without amendment.

**The Chair:** — Mr. Chisholm has moved. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Well thank you very much, committee. This is the agenda as we had laid out for us tonight and we're actually done a little bit early, so appreciate the co-operation. Mr. Minister, thank you for your answers and your staff for coming out and helping.

**Hon. Mr. Morgan:** — Once again, Mr. Chair, I would like to thank my officials for being here and would like to thank all the members.

**The Chair:** — I would entertain a motion for adjournment, please. Mr. Hart.

**Mr. Hart:** — I so move.

[The committee adjourned at 21:08.]