



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

**Hansard Verbatim Report**

**No. 11 – April 12, 2017**



**Legislative Assembly of Saskatchewan**

**Twenty-Eighth Legislature**

**STANDING COMMITTEE ON INTERGOVERNMENTAL  
AFFAIRS AND JUSTICE**

Mr. Greg Brkich, Chair  
Arm River

Mr. Doyle Vermette, Deputy Chair  
Cumberland

Ms. Nancy Heppner  
Martensville-Warman

Ms. Lisa Lambert  
Saskatoon Churchill-Wildwood

Mr. Eric Olauson  
Saskatoon University

Mr. Doug Steele  
Cypress Hills

Mr. Warren Steinley  
Regina Walsh Acres

[The committee met at 18:30.]

**The Chair:** — Welcome everybody to committee meeting tonight, intergovernmental and justice. I'm the Chair, Greg Brkich. The members are Nancy Heppner, Eric Olauson, Doug Steele, Warren Steinley, Lisa Lambert, and we do have a substitution of Nicole Rancourt for Doyle Vermette who is the Vice-Chair.

I will just ask the minister to introduce . . . Okay, so what do we have, a couple of votes? Okay, this evening the committee will be considering the estimates for the Ministry of Government Relations.

**General Revenue Fund  
Government Relations  
Vote 30**

**Subvote (GR01)**

**The Chair:** — We will now begin with vote 30, Government Relations, central management and services, subvote (GR01). Minister Harpauer is here with her officials. I will ask the minister to please introduce your officials and make any opening comments that you may have. And I'll ask the officials the very first time they're up to the mike just to say their name for *Hansard*. They only have to do it the one time. Minister Harpauer.

**Hon. Ms. Harpauer:** — Thank you, Mr. Chair, and good evening. It's my pleasure to speak to the spending priorities outlined in the Ministry of Government Relations budget for 2017-18. I'm joined tonight by my senior officials from the Ministry of Government Relations and this includes Deputy Minister Tammy Kirkland, Assistant Deputy Minister Keith Comstock, Assistant Deputy Minister Laurier Donais, and the provincial interlocutor, James Froh. We also have the commissioner, Duane McKay from emergency management and fire safety; executive director John Edwards, from policy and programs; and acting executive director Karen Bolton, from lands and consultation. And they also have their program experts with them for this evening.

I would like to begin by providing a few general comments on the ministry's 2017-18 budget. Then my officials and I will be very happy to answer questions that any committee members may have.

Government Relations' 2017-18 budget reflects the government's ongoing commitment to growth. Government Relations' 2017-18 expense budget is 673.2 million, an increase of 672.1 million or 32 per cent over last year. There are 237.1 full-time equivalents which reflects a decrease of seven.

The notable increases reflect support to municipal infrastructure and they include 109.5 million in new funding for the Clean Water Wastewater Fund, 24.1 million for new funding for the Public Transit Infrastructure Fund, an increase of 39.1 million for the New Building Canada Fund. The total 2017-18 budget for this program is 67.5 million and an increase of 5 million for the Saskatoon north commuter bridge, which total budget is 15 million.

Decreases in our budget include 13.9 million for municipal revenue sharing. The total budget amount is 257.8 million and 2.1 million for gaming agreements, which now total 76.7 million. The items that were eliminated in this budget include the Building Canada Fund and the Saskatchewan infrastructure growth initiative. All funding requirements for these programs are now complete.

Funding and FTEs [full-time equivalent] were also removed for the emergency management on First Nations reserve agreement with the federal government. This agreement was never signed. The 2017-18 budget removes seven FTEs: four come from the emergency management on First Nations reserve agreement, and the other three reflect vacant positions.

Now I would like to describe our budget by examining the expense type. Over 95 per cent of our budget reflects third party transfer payments. The majority, 83.7 per cent is provided to municipalities primarily through revenue-sharing and infrastructure grants, while 11.6 per cent is provided to First Nations and Métis organizations primarily through gaming agreements. 4.4 per cent of our ministry's total budget is required to deliver ministry programs. This includes community planning and support; our First Nations, Métis, and northern portfolios; emergency management and fire safety responsibilities; building standards; gas and electrical licensing; and provincial disaster assistance program.

This concludes my overview of the Ministry of Government Relations 2017-18 budget. It is a budget that addresses the challenges, and it is a budget that still delivers on our commitments to the communities and the people of Saskatchewan.

**The Chair:** — Thank you, Minister. Any questions? Nicole.

**Ms. Rancourt:** — Thank you. First of all I want to thank all the officials for coming out tonight. I know you don't get too much notice on when we're having committee after a budget, and so, you know, scheduling time with your family and the travel arrangements have to be made. And I really appreciate you making that effort in coming today, and the knowledge that you have with regards to the agencies that you represent is very valuable. And it's really good to get a better understanding of the entire budget and where the money's going and how you're providing great services in our province. So I appreciate you being here tonight.

And also, to my fellow colleagues, it'll probably get a little bit boring listening to me speak for four hours, but thank you for making your time here today too.

So I have quite a few questions. There has been a lot of discussion of a lot of the things that are going on with Government Relations right now, so I might as well just get right to the questions.

So my first question is, the budget for municipal and northern relations has increased, I think it's 1.149 million. Can you outline the reason for this increase?

**Mr. Markewich:** — Hello. Jeff Markewich, executive director

of corporate services. So the increase of 1.149 million is primarily due to reallocations of funding within the ministry. So we had some funding within other areas that we moved into the municipal and northern relations allocation to address some shortfalls that we had there. As well, we also had an increase in budget for two federal infrastructure programs for salaries and operating. So that's the CWWF program, the Clean Water and Wastewater Fund, and the PTIF, so the Public Transit Infrastructure Fund as well.

**Ms. Rancourt:** — When you talk about shortfalls, what would that include?

**Mr. Markewich:** — So that was in our community planning area. So about four years back we had an initiative to reduce some funding within that area; however we still continued the operations within that area. So we had been managing with a shortfall for the past four years. So we actually just took other areas where we had extra funding and put it towards that.

**Ms. Rancourt:** — And with the Clean Water and Wastewater Fund, that is new to the budget. I think it is.

**Mr. Markewich:** — That's correct.

**Ms. Rancourt:** — And so is this funding from the federal government?

**Mr. Markewich:** — That is, yes. Not all of it; just for the salaries and operating. So that is — I can give you the exact amount — \$725,000.

**Ms. Rancourt:** — And can you outline what the plan for this fund is?

**Mr. Markewich:** — It's salaries, sorry. And sorry, to just correct, it was \$300,000 for those two programs, not 725.

**Mr. Comstock:** — Hi. My name is Keith Comstock, ADM [assistant deputy minister] at municipal relations. The Clean Water and Wastewater Fund is a new initiative of the national government. It's a two-year program with a third year that will see us clean up all of the rest of the projects that were done. Saskatchewan received \$89.3 million of federal funding for this. That will be matched by \$44.3 million provincial, and an equal amount from the municipal sector.

We're going to do a number of clean water and wastewater projects under this, probably about 80-some by the time you get them all added up. We're waiting for approval from Canada on the last batch of 67 applications that were submitted in the middle of March this year.

All of those projects, as soon as they get approval, will be undertaken by the municipalities that are sponsoring them. The plan is to have the bulk of them done by the 31st of March next year, and some of them, we know, just because of Murphy's Law — weather, contractor availability, difficulty in getting suppliers and that sort of thing — we know some of it's going to go into the following year. But for the most part it will be cleaned up by the end of this fiscal.

**Ms. Rancourt:** — So how will the contribution to this fund be?

Like what will the portion of the federal, the municipal, and the provincial portions be when you do a project?

**Mr. Comstock:** — So for the Clean Water and Wastewater Fund, it's broken up 50 per cent federal, 25 per cent municipal, and 25 per cent provincial. The way our agreement with Canada works on this program is that we enter into an agreement with the municipality — the sponsor of the project — and administer the program on behalf of Canada. And that's why, as Jeff mentioned, there's a little bit of money in our area for the staffing, for the capacity to do that. And when communities are done, we will take their claims and process them and pay them out the monies that they are owed. And then we will be reimbursed for the federal share from Canada.

**Ms. Rancourt:** — That's good to see that that's getting addressed. I know with the province and the aging infrastructure that we have, that communities are looking at working on their clean water projects. And I'm assuming that's what this money is allocated for, is those types of projects.

**Mr. Comstock:** — That's correct. The projects that are eligible are reflected in the name, the clean water and wastewater. It's just for those sorts of projects. There are lots of other infrastructure needs at the municipal level and elsewhere as well, but this program is designed specifically to address those needs.

**Ms. Rancourt:** — On the topic of clean water, I'm going to put a little local plug. And I'm wondering how is the Husky oil spill? How's that been wrapped up? Have you received all the payments from Husky? Is that still ongoing?

**Mr. Comstock:** — Our ministry has no involvement in any of the payments for that, unless there's something through commissioner's area. But you'll have to address that to the Ministry of Economy or Ministry of Environment.

**Hon. Ms. Harpauer:** — My understanding is, yes there's going to be a roll-up — I haven't heard yet if we have it — of all the ministries that were affected and put resources towards it, of how much that cost, and that's submitted to Husky. And I think that is going to be coordinated through Energy and Resources, if I'm not mistaken.

**Ms. Rancourt:** — Okay. And then the Public Transit Infrastructure Fund, that also is added to the budget. Again, is that federal government money?

**Mr. Comstock:** — Yes, in this case, the Public Transit Infrastructure Fund, the money that's in our budget reflects the federal portion. Traditionally Saskatchewan has not participated in a financial way in programs that Canada has offered that support public transit. We do so in other ways. And so that reflects Saskatchewan's share of that program from the federal government.

**Ms. Rancourt:** — And if municipalities wanted to have access to that fund, would they provide grants? Like would they apply to the province? And would it be a similar process as the Clean Water and Wastewater?

[18:45]

**Mr. Comstock:** — No, actually this one runs a little bit, quite a bit differently, actually. Canada set the eligible applicants, and so it was the cities of Regina, Saskatoon, Prince Albert, and Moose Jaw were eligible for this program. The reason why it was those four cities was because they were the four that ran true public transit systems that also reported their statistics nationally to an organization that tracks ridership and other sorts of statistics. And that's how the money was broken out.

So the four cities that are eligible for the program submitted their project ideas to us. Canada determined the allocations, and we're administering the program from the perspective of taking claims and making the payments and doing the audits and that sort of thing.

**Hon. Ms. Harpauer:** — Just to add, for that program we didn't contribute 25 per cent, so the entire allocation is federal money. And so what that allowed the four cities to do was access the federal money, but then they would have had to put in 50 per cent; federal government, 50 per cent.

**Ms. Rancourt:** — There was over \$39 million increase into the New Building Canada Fund. Is there a plan for using this money?

**Mr. Comstock:** — Absolutely there is. The New Building Canada Fund had two components: the Small Communities Fund and the national regional component. Saskatchewan was allocated a sum of money for each of those programs, and we ran an intake in 2015 and again this spring to gather project proposals for that program. We have submitted a variety of projects to Canada. Most of them have already been approved and announced. There are a few that are pending approval from Canada yet. So this money is intended to allow us to fulfill our commitments to those projects.

**Hon. Ms. Harpauer:** — The dollar allocation for that fund, or program is a third, a third, a third. So it's one-third federal, one-third provincial, and one-third municipal, just to confuse it all.

**Ms. Rancourt:** — My understanding was that the federal government was going to put 50 per cent, but they aren't?

**Hon. Ms. Harpauer:** — No, you're thinking of the Clean Water and Wastewater. So the Clean Water and Wastewater program is 50 per cent federal, but the Building Canada Fund is a third.

**Ms. Rancourt:** — And is the gas tax program completely federal funding as well?

**Hon. Ms. Harpauer:** — It is. It flows through our ministry, but it is completely a federal program.

**Ms. Rancourt:** — And what kind of programs would be run under that?

**Mr. Comstock:** — This is a highly . . . There's a lot of money at stake here, so I'm going to refer to my notes on the Gas Tax Fund.

Gas Tax Fund started off in 2005 and, since that time, has paid

out over \$508 million to municipalities in Saskatchewan. That was up until the 28th of February this year. The funding has been utilized for over 3,300 approved projects, of which 861 are still active. The second instalment for 2016-17 of approximately 28.8 million has been paid in municipalities in late March of 2017.

So a renewed GTF [Gas Tax Fund] program started off in 2014 when the amounts were renewed, and provinces and territories signed on to new agreements with Canada to continue the program. And in this year we will distribute just over \$61 million to municipalities through this program.

The way municipalities access the program is they submit an infrastructure investment plan, and our staff work with them to make sure that the expenditures that they've planned fit within the parameters of the program. And then we communicate with them at various times throughout the year to check and see how the projects are going, make sure everything's still on track. And when the projects are completed, communities make their claims, and we pay out according to whatever their allocation is. That program is done on a straight per capita basis. So the Clean Water and Wastewater Fund is 15/25/25; New Building Canada Fund is 33/33/33; and gas tax is per capita.

**Ms. Rancourt:** — They don't like to keep it simple. There was \$15 million in the budget for the Saskatoon north commuter parkway bridge. How much is the province providing to funding the bridge?

**Hon. Ms. Harpauer:** — We're going to provide a total of 50 million to the bridge. So this is the second allocation. Last budget was 10; this is 15. So we'll have 25 remaining.

**Ms. Rancourt:** — And what is the plan in paying the remaining amount?

**Hon. Ms. Harpauer:** — It does depend, of course, on our fiscal capacity, but we were hoping to pay it in three years. We'll make that decision in next year's budget whether we have to negotiate the fourth year or not, but we are committed to the 50 million.

**Ms. Rancourt:** — I'm going to turn it over to my colleague here. He has a few questions to ask as well.

**Mr. Belanger:** — Thank you very much, and welcome to the minister and her officials. I've just got some questions as it relates to First Nations and Métis.

I understand that there's been many, many challenges over the last number of decades, and over the last number of years. There's been a lot of progress to bring light to the challenges that we face. As an example, the Truth and Reconciliation Commission done a tremendous amount of work of trying to address the challenges as it relates to the Aboriginal community in Canada as a whole, but certainly in Saskatchewan as an individual province, everything from missing, murdered indigenous women, the Sixties Scoop apology that people are still waiting for, some of the recommendations around the TRC's [Truth and Reconciliation Commission] call for action. So I want to maybe base some, or prepare some of my questions around that particular area.

So the first matter of course is the TRC, when there's a call for action. The government provided a grid last year highlighting the progress on each of these calls to action. Are you able to table an updated version of that, and briefly explain what action has occurred since last year?

**Hon. Ms. Harpauer:** — Thank you for that question. And you'll remember of course from conversations you had last year of the numerous recommendations in the Truth and Reconciliation, there was 34 recommendations that pertain to the province. And we can, I don't know if we do necessarily here tonight, but we will provide you very shortly, the committee members, with the update on where we are in each of those 34 actions.

**Mr. Belanger:** — Yes, I'm looking forward to that because we have a lot of conversation with a lot of different groups. And today, as you can surmise, a lot of the university-educated crowd really follow some of the process along, and many of the families still suffer from a lot of the indignities that we see in a lot of the communities.

The First Nations people and the Métis community are people that have struggled over the years: everything from the residential school matter and finally the TRC, and the relationship as it pertains to the federal government around the whole Métis issue, and having this political football between the province and the federal government as to who's got an obligation to deal with the Métis.

So over the years has been this increasing frustration by the Aboriginal community as a whole to try and get action on addressing some of their long-standing issues around the activities that the TRC touched on during some of their hearings, and of course their calls for action. One of the things that a lot of people are indicating to the Aboriginal community overall is that you often hear the negative comments, where people say, well it's time for you folks to move on. It's time for the Aboriginal community to, you know, to get on with their lives. There's no question that, I think the Aboriginal community want to get on with their lives, and they want to be able to build and strengthen their communities and their children and so on and so forth.

But part of the process is that like anything else, when you have a traumatized people, there's got to be an apology. There's got to be a recognition of the problem, and there's got to be closure for many people that have these issues that they've dealt with over the many years.

So I think when families go through some traumatic event — whether they've lost a loved one or there's been a tragic accident or there's been questions around the loss of a family member, often right across all kinds of boundaries and all kinds of racial lines — there's always the issue of closure. People will always talk about that. And I think the Aboriginal communities are much in the same train of thought, that they want to see closure and some of the issues around the sixties apology.

Obviously the Sixties Scoop, there's a lot history behind that. And we know that we've been calling for a Sixties Scoop and FSIN [Federation of Sovereign Indigenous Nations] has been calling for that as well. And we often bring it up in the

Assembly. But if you're able to guess, as a result of our discussion here this evening, when would you anticipate a time frame as to when an apology in concert with FSIN could be achieved with the provincial government? Is it six months? Is it a year? Is it two years? Are you able to give us a time frame?

**Hon. Ms. Harpauer:** — Thank you for that question. And I just want to give a chronology of the conversations that have taken place concerning the Sixties Scoop because, as you probably remember, the Premier committed to an apology in June of 2015. And at that time he was asked to wait until the FSIN election which took place in October of 2015.

And then the former minister of Government Relations, Minister Reiter and I met with Chief Bobby Cameron in December, and we agreed mutually to find a date. January, we had a conversation again and still hadn't agreed to find a date. February, a date was set, but it was cancelled by the Premier, and Chief Cameron had also commented he wouldn't have been able to make that date. So he was fine with the cancellation. And of course then we were into the provincial election in April.

In June Minister Reiter and I met with Chief Bobby Cameron again, and there was an agreement to find a date. However our latest conversation with FSIN is that this is not in their mandate and they aren't even going to entertain the conversation of finding a date. So my suggestion is if you ... I would encourage you to have a conversation with FSIN and see why they are not looking for a date right now.

**Mr. Belanger:** — Well I would ask the question then, why won't the government do it on their own?

**Hon. Ms. Harpauer:** — And we might. Yes, we might just do, consider that. We had hoped ... We had great co-operation from Robert Doucette with Métis Nation. And of course they're waiting for an election now, and Robert was quite disappointed frankly with the cancellation of the date that was set. So this will be a conversation that we need to have of whether we just do it on our own.

**Mr. Belanger:** — Is the FSIN making a global argument saying, look you haven't dealt with us on issues of the pasture lands, where you've sold them without our consultation or agreement. There's a whole notion around the gaming agreement which we have not really resolved. There is issues around employment and training agreements that we've been asking for. There's a number of other issues that the FSIN has been asking the government to try and accomplish in concert with the apology because it all ties into the TRC. So is it safe to assume that the FSIN basically was disappointed on a number of fronts that addressed the TRC? So they wouldn't do the apology in concert with the province as one of the repercussions of some of the negotiations that broke down in previous areas that I mentioned?

**Hon. Ms. Harpauer:** — That's a great conversation for you to have with FSIN, as I can't speak for them.

**Mr. Belanger:** — Right. And you're not able to ascertain today that that was the basis of why the apology's been put off time and time again.

**Hon. Ms. Harpauer:** — They have never said that that is the reason.

**Mr. Belanger:** — Okay. Now one of the things that we often talk about, and this is a national issue when we talk about missing and murdered Indigenous women. And you know, we have a very difficult time in some of the communities and some of the families that have, you know, the need for closure. And so I would suggest that somewhere along the line that the timeline is fairly pressing to begin to talk about the Sixties Scoop apology, to recognize that historic wrong and to see where we go from there.

If you piggyback, for lack of a better word, the recent ruling around the Métis issue where the federal government is recognizing or the Supreme Court of Canada indicated that there is a relationship between the Métis community and the federal government, as opposed to bouncing back and forth between the province and the federal government. I look at all these parts of the puzzle that are out there. A lot of the Aboriginal people really want to get those pieces of the puzzle together so we're able to get the young people that are highly educated, highly accomplished, so they can begin to drive the change necessary for the Aboriginal community as a whole. And I'm speaking of course, of the First Nations and the Métis community.

[19:00]

But some of these apologies are really important for some families. Missing and murdered indigenous women, a lot of families, you see a lot of their stories on television. They're from right across Canada. They make reference of the Highway of Tears in BC [British Columbia] where these are Canadians, these are First Nations and Métis women that have gone missing for years. And there's a lot of that problem right across the country.

Saskatchewan is not immune to that. It was really something several years ago, when I was entering the building here. There was some women in the front of the building that were handing out these roses of missing and presumed murdered Aboriginal women. So they said, "Did you want a rose?" To which I said, "Sure." And they handed me one. And that rose had the name of my cousin. Her name was Laura Ahenakew. She was raised in Ile-a-la-Crosse, and she went to the city, and she was murdered.

Now out of the 30 or 40 roses that were in that lady's hand, why was I given that rose? Why did that specific rose come to me? Because I didn't notice until I got back in the building, and I kept that rose. There was another lady's name on there, but it is almost as if it's a message from the people that this has to be something that's got to be resolved. It is very, very important to a lot of communities and to a lot families, especially.

We want to eliminate the risks that people have that are similar to what the Highway of Tears circumstances were. We know a lot of the Aboriginal women were hitchhiking. They were catching rides with various people, and they were actually put at a great risk. And we look at some of the risks in Saskatchewan, how does that conflict, or how is it the same here as it is in BC?

And recognition, apology, full engagement, solid progress on some of the TRC's call for action — these are some of the things that we look for. Now very simple basic things like decent housing, even the effects of the STC [Saskatchewan Transportation Company] closure, will there be more Aboriginal women hitchhiking as a result of the loss of bus service? One could assume easily that that could be the case.

So some of these things is really, really important that we get some answers for the Aboriginal community. So based on all the information I presented, how would you respond on behalf of the government?

**Hon. Ms. Harpauer:** — All of them are very, very serious issues that you raised, and you told a very compelling story with what you wanted to say. We have committed to implementing or putting action to all of the TRC recommendations that pertain to the province. And I believe it was you that brought forward a motion in the Legislative Assembly last session asking for just that, and it was unanimously supported within our Assembly. So we will get you that update because of the 34 recommendations, action's been put to almost all of them now.

For the apology, if I'm hearing you correctly, what you're asking is for us to consider to have the apology even if FSIN is not present, and that's fair. And I'm glad to know that you would support that.

You know, there is no doubt that violence against indigenous women and girls is a very, very serious concern, and so as a government we are committed to work with the commissioners to support their work to address the systemic causes of violence against indigenous women and girls. A lot of that work of course is being done through the Ministry of Justice, so I encourage you when those estimates come up, that you take the time to pose questions to those officials who can give you a more wholesome and thorough explanation of the different programs that we have through the Ministry of Justice.

**Mr. Belanger:** — Yes, and that's the crux of the problem. I don't want to have you suggest that the apology should happen without FSIN and the Métis Nation's participation. I would hope that there's the opportunity for them to participate with the government in accommodating that apology. Now if you're saying that at this time that's not possible, there's . . . I don't think it's a scheduling conflict. I think really it's probably a negotiating conflict, I think. I'm assuming that. So it would be absolutely, from my perspective, imperative that we have their involvement. But if there isn't an involvement or the possibility isn't there, then we need to indicate why the possibility isn't there.

So I think the other matter as well is, you look at the La Loche shooting. And you know, we were at the community probably six or seven days of that following week that this incident occurred. And after several . . . About a year later I think, or maybe less than a year, the Deputy Premier came into La Loche and indicated that the answers have to come from the community.

As many people within FSIN would note, there is some merit to that. But the problem is the resources must also come from the

government. So it's a very easy thing to say, that from the Deputy Premier's perspective, he's travelled to the community. The answers have to come from the community; we'll do what we can.

Well, Madam Minister, whether it's the TRC call for action, or whether it's the Sixties Scoop, whether it's the effort to end racism in the province of Saskatchewan, or whether it's fairness, whether it's an equity issue, we can't simply say that the answer has got to come from the Aboriginal community.

As senior governments, whether it's federal or provincial, we have to make the commitment, financial and political commitment, that the resources will be there to finance the community's direction for action. And that's why a simple apology, why is it so complex to achieve? Because the First Nations community want to attach the resources necessary to finance the answers that they're giving government.

So to me, I think the Deputy Premier's saying, well the answers have to come from the people, is a cop-out. What I think the Deputy Premier should have said was, we will work to ensure that the necessary resources within a very specified time frame on a number of initiatives will be financed to ensure that the stated objectives of the direction of the community will be met with support from the government all the way. And that's where I think the whole notion around the TRC call for actions, the case of the Sixties Scoop, we're just seeing a lot of stalling. And we're seeing a lot of excuses. And I think the Aboriginal community is getting tired of that.

So either you finance and fund the required and stated objectives of the Aboriginal community . . . and stop patronizing them by simply saying the answer has got to come from the affected community. We need the resources to follow through with some of those comments that, in this case, made by the Deputy Premier.

So it's everything from housing. It's everything from respecting the treaty rights. It's everything from fixing our roads to some of our First Nations and Métis communities. It's everything to do with positioning the young, exciting Aboriginal people to ensure they've got the proper training. It's everything to do with the Sixties Scoop apology, solid follow-up with the TRC call to action. This is exactly what people are saying when we talk to them about how we engage and get the support of the Aboriginal people in moving their communities forward in conjunction with the non-Aboriginal communities to build what? A stronger province.

So that's why it's important that we listen to your answers today as to what you ascertain is important from the Aboriginal perspective, as a government official or as a government representative. So again, last year the FSIN criticized the provincial government for not doing enough, the bare minimum, to address racism. What was your response to them at that time?

**Hon. Ms. Harpauer:** — So I just want to address the diatribe of comments that you were making that were quite interesting because you repeatedly heard that we've almost . . . I think there's one or two recommendations in TRC that we haven't taken action to, one of them being to have a statue built, and I

think that's being worked on in the city of Saskatoon. So you keep implying as if no action has been taken. We kept telling you that action's been taken to almost all of the recommendations, so I'm not sure what you don't hear in that or what you don't understand.

The apology, right now we have the Métis Nation who are having an election. So I'm not sure which leader you would like us to have the conversation with because you don't agree that we should do it alone — that we should be doing this with the Métis Nation and First Nations, which I agree with, quite frankly — but we don't have a Métis Nation leader right now because the Métis Nation are having an election shortly.

The other . . . What you were inferring to, which was to criticize the comments made by the Deputy Premier, I find that interesting. I know you represent La Loche, and I have made numerous trips to La Loche, one along with a number of ministries just before session began. And it was very encouraging as to what the leadership in La Loche had to say. And they did know, they very much knew what they wanted. It was a great conversation. We were there for a number of hours, and it was specific, and the ask was quite reasonable.

And so to say that they're not capable to be able to come to us and say, this is what we would like, this is what we think we need, is actually not giving them enough credit because I think there's some very strong leadership there. And I have to say, I admired them very much, and it was very encouraging.

There's been investments made there in health. We heard that they would welcome, even though there's been additional mental health support, that they would welcome more. And they do understand that there has been some challenges with recruitment and retainment. But there has been mental health support workers put into the community. As well, there has been an approved capital project for 480,000 for health capital projects within La Loche. There was questions about the delay in the X-ray machine that they are looking for, and the response was given to them immediately at that meeting that it was just a matter of getting the infrastructure built in the building to accommodate the X-ray machine.

There has been new housing built in La Loche by the request of the community. In education there has been a number of supports put into the schools. We also met with some teachers while we were there, and there was a conversation of whether that needs to be more, more support within the schools. The schools now have a number of social workers that are right in the school that weren't there before. We are delivering more adult education in La Loche than we were before, and that's been very welcome.

So although you are trying very, very hard tonight to portray as if nothing's been done and that we haven't been investing in La Loche, it simply isn't true. And it has been acknowledged by the leadership in La Loche. Is there more work that needs to be done? Yes.

[19:15]

But do I think that the La Loche community is trying very, very hard to actually articulate what it is that they need and want? I



think they're doing a great job of it, and I'm looking forward to working with them into the future sit-down conversations. I talked to the mayor of La Loche just last week. I know that Education has talked to him just last week, and he asked for a little more coordination in some of the victims to help them with their struggles, so that's being coordinated through Education. I have more faith, I guess, in the leadership in La Loche than you seem to be displaying.

**Mr. Belanger:** — Madam Minister, that response to this, very serious issues, in which you called into question my respect and admiration for the leadership that have articulated very well what they need, is exactly the injustice that I keep speaking of being displayed by the government.

I did not in any of my statements say to you that I didn't have confidence in the leadership there. I did not say that once, but you insist on putting words into my mouth — for whatever purposes, I don't know. But I would ask you this: if you're doing such a fantastic job, why is there such an alarming rate of suicides in northern Saskatchewan amongst young people? Explain that to me.

**Hon. Ms. Harpauer:** — I said we're listening to the leadership, Mr. Belanger. We are trying to fulfill what they are asking. This is ongoing problems; it didn't just happen yesterday. And there are ongoing challenges in some of our northern communities. I didn't say we had all the answers. I said we're going to continue to work with the leadership in the North and listen to what it is that they are requesting. I also said there's more work to be done.

**Mr. Belanger:** — Well, I would ask the question again, Madam Minister: if you're doing such a fantastic job in the North, why are the suicide rates amongst the Aboriginal youth so high?

**Hon. Ms. Harpauer:** — We continue to provide support to the ongoing work of the 17-member embracing life committee and its implementation of an embracing life strategy in northern Saskatchewan to support community well-being. And I've also had a number of conversations with some First Nations chiefs and Northlands College on what programming that we can run through Northlands College that would give support to or training to individuals that work in schools, in order to identify at-risk before it becomes a tragic story.

I'm looking to you. What's the solution?

**Mr. Belanger:** — Well I would suggest to you that one of the . . . There's a lot of people that spoke in the aftermath of the La Loche shooting about PTSD [post-traumatic stress disorder]. A lot of people from throughout the country, if not the world, spoke about the self-harm that can result from PTSD. A lot of people spoke about . . . The professional people made the reference that one of the issues around colonialism and the effects of colonialism is youth suicide. Professional people have indicated that's one of the casualties of a government that refuses to recognize the importance of full engagement and proper engagement of the Aboriginal community.

And I was the one never to use the word colonialism when I was younger, because I didn't think the connect was there for the Aboriginal people overall. I thought that really, truly, that

we were able to drive that change from our own — from our own sources, from our own leadership, from our own desire, so to speak.

So you see all the compelling arguments. The Sixties Scoop apology was recognition that there was some injustice done to our people. That was important to us. They continued ignoring what the FSIN is calling for under the TRC or even land allocations as it pertains to community pasture program. Chief Bobby Cameron said, why didn't you consult with us? Being able to have some influence on permitting of companies working in some of the traditional territories of the First Nations — all these issues are flying at the Aboriginal community.

And this is why it's important that you answer the questions from a perspective of not saying, well we have more belief in the leadership than you do. That just simply doesn't solve anything. It doesn't do any justice to the work that is required in the Aboriginal community.

I look at the northern part of the province of Saskatchewan. Seventy-seven per cent of the people in the province of Saskatchewan have the opportunity of home ownership; it isn't anywhere close to that for the Aboriginal community. In fact your government eliminated the home ownership option for those that were renting Sask Housing units. Home ownership was a fantastic opportunity for the Aboriginal community. It stabilized the community. It provided a lot of responsibility, more responsibility to the homeowner, and it lessened costs to government. Well your government came along and eliminated that.

You cancelled the NORTEP [northern teacher education program] agreement. You made a mess out of the NORTEP-NORPAC [Northern Professional Access College] program. We're still waiting for an apology. Whether it's commercial fishing industry support or trappers program support, nothing there. Highway improvements, nothing there. So please understand why I'm just simply not believing some of the things you're saying to me this evening.

And I think the Aboriginal community as a whole, I have great confidence. I have great confidence that the young, accomplished, and educated and aggressive Aboriginal community, the indigenous community will be the ones that'll be driving that change in the future. First Nations and Métis and non-status people throughout our province, I have a great sense of confidence that they are going to be coming fairly soon. And I'll tell you, the traditional responses and the distraction you offer this evening as it relates to my confidence in the La Loche leadership, that stuff is not going to work anymore in the future.

So again I warn you that we have to have good action. And the reason why we have to have good action around TRC is because it's a proper investment for a government. It's a good investment. If we don't do anything, the suicide rates will continue, and that's not something anyone in this province, I believe, want. And that the self-injury, the self-harm will continue, and these are Saskatchewan people. They're not a separate . . . They belong to Saskatchewan people. They're First Nations people, Métis people.

So everywhere I look, there's just been a resistance to really fully engage the indigenous community of our province. And after years and years of development, I say, why is it continuing?

So I look at NORTEP-NORPAC. The students were actually in tears when this was announced. I think it was yesterday or today. Because it's yet another jab in the jaw, if you will. People are trying to help . . .

**The Chair:** — Mr. Belanger, I'm going to cut in here. I understand First Nations and Métis engagement is under here, but we are also discussing just the 2017 budget. I would ask the conversation not to get too broad. And you've been here a long time, both you and me. And you know the rules of . . . This is the budget. I've allowed quite a bit of statement, but let's kind of narrow it back down to the 2017 budget. Thank you, Mr. Belanger.

**Mr. Belanger:** — I didn't think you had the ability to censor discussions here, Mr. Chair.

**The Chair:** — Mr. Belanger, you and me have been here a long time, and you also know it's not right to challenge a Chair. And yes, I do. We are discussing the 2017 budget on here, not a long range. You've mentioned other issues that could be dealt with other ministries. Minister? Ms. Rancourt.

**Ms. Rancourt:** — How many grants were given under the consultation participation fund for First Nations and Métis communities?

**Ms. Bolton:** — I'm Karen Bolton. I'm the director of Aboriginal consultation at the Ministry of Government Relations, responsible for the Aboriginal consultation unit. We did 40 grants in 2016-17 for approximately \$375,000.

**Ms. Rancourt:** — And can you give me an idea of what type of grants that would have been? I know it's hard to outline 40 of them, but just some ideas of some projects.

**Ms. Bolton:** — Well the fund itself provides an opportunity for communities to participate in consultation with government to inform decisions on a whole variety of developments. Those might include forestry, oil and gas, mineral development, those kinds of things. The grants range based on the activities that the community wants to undertake.

So it covers things like a consultation coordinator for the community to organize things, send out information, you know, set up a meeting. It covers the cost of meeting facilities, travel for traditional users and elders to attend meetings, and also some support sometimes, consulting support if they need, want to consult with biologists or forestry specialists and so on. And it also allows an opportunity for the community to gather and have an event, so facility and refreshments, those kinds of things, again on a variety of issues from forestry to mineral development.

**Ms. Rancourt:** — I noticed in the budget \$200,000 is allotted for the Participation Fund, and in 2015 and '16 it went a little bit over the 200,000. And then again in 2016-17 it went over a little bit. Where does the extra money come from?

**Ms. Bolton:** — The extra funding was found internally through our ministry budget with, you know, savings and moving some funding around within our own budget. So we didn't have to go outside for any additional appropriation.

**Ms. Rancourt:** — So it seems like the grants are being used and being used quite often and they're quite valuable. Is there a possibility that there might be more allotted, then, in the budget in future years in order to keep up with the growing need?

**Ms. Bolton:** — Increased spending? Yes, they cut back the allocation a few years back as a . . . really in response to the actual spending that was occurring. We did have some bigger projects last year that accounted for the increase in spending in actually a single specific grant.

Outside of that particular grant, which was for the largest sort of mineral development project in the province and the deepest consultation we've ever done, outside of that project we were still right around the 200,000 mark, so we seem to be in that range.

Certainly we've had an increase in the number of communities. And that's a positive thing that we have more communities now consulting with us and willing to participate in that process and inform the decisions that we make around those kinds of development projects.

It's hard to say, you know, whether there's going to be more communities. It's going to depend on the rate and pace of development, the type of development, the location of that development, and so on. A lot of these grants tend to be more north in Saskatchewan, not so much in southern Saskatchewan.

**Ms. Rancourt:** — Thank you. I appreciate that. And I want to add a little bit of comments to what my colleague had to talk about. And I know he gets really quite passionate when talking about First Nations and Métis issues, and you have to understand that he sees a lot of the issues that he was talking about on a regular basis, and obviously is a great concern and sometimes feeling that First Nations and Métis engagement isn't becoming a real priority. And in the budget, we see that oftentimes the funding towards that is decreasing as the years go by, and so he does become quite passionate about it, but that's because his heart is there and in the right place, and he would like to see this government put more of a focus on those issues.

[19:30]

So I would like to move on to another topic now. And I'm wondering, the grants-in-lieu of property taxes increased by \$800,000. Can you explain this increase?

**Hon. Ms. Harpauer:** — That's because of the facility at P.A. [Prince Albert]. The corrections facility is now open. So that is grants-in-lieu based on assessment and property and mill rate, and so that is an additional government property that we're paying grants-in-lieu for.

**Ms. Rancourt:** — And as you suggested that the cities and towns affected by the elimination of the grants-in-lieu payments look at their reserves to find the lost revenues, your ministry

obviously looked at the size of the municipal revenues and the amount of money accumulated into those reserves. So can you tell me what are the total reserves accumulated by sector? So what I'm looking for is the accumulated reserves for the cities, the towns, villages, and rural municipalities.

**Hon. Ms. Harpauer:** — So cities, towns, villages, and rural municipalities do not have to report their budgets to our ministry. So the way to access that is the same way that we did — not the ministry, that certain people did or MLAs [Member of the Legislative Assembly] would check their own respective city — is to go online and look at the cities' budgets.

**Ms. Rancourt:** — So that's how you determined what was in reserves for each individual community was you looked online?

**Hon. Ms. Harpauer:** — Yes.

**Ms. Rancourt:** — So you don't have an outline of how much reserves are in each of those municipality or those sectors?

**Hon. Ms. Harpauer:** — No.

**Ms. Rancourt:** — So if you're not aware of that, how did you expect that communities would be able to deal with the grants-in-lieus being taken away from them?

**Hon. Ms. Harpauer:** — This is a difficult budget, and there was efficiency found in our budget, as you well know. The revenue resource funding for our province has been declining now for three years, and so every sort of sector within that's funded by government has been asked to find efficiencies. And they were let known that there would be restraints in this budget because we are going to bring our treasury back to balance.

So we have looked at some of the cities' reserves. Some MLAs have done their own groundwork in the cities where they are living. And did I look up each? Like, for example, a small town in my constituency, it's a \$6,000 reduction. They're going to budget and manage accordingly. I'm not . . . Like I know that there's going to be decisions that they have to make, but I didn't look up their reserves.

**Ms. Rancourt:** — So it's my understanding that the municipalities have to provide financial statements to the ministry every year. Does your ministry not get those financial statements?

**Hon. Ms. Harpauer:** — So the financial statements that my ministry would have now are the 2015. But they don't have to file their budgets, like their proposed budgets, with us. So we would have now, we'd be analyzing the 2015 financial statements.

**Ms. Rancourt:** — Yes. So the cities send their financial statements to the ministry and on those financial statements it should indicate what they have in reserves.

**Hon. Ms. Harpauer:** — Well the latest would be 2015.

**Ms. Rancourt:** — So the 2015 reserves are on the financial statements that the cities file with the ministry. You're saying that the 2016 results are online, and that's what your MLAs

found?

**Hon. Ms. Harpauer:** — Budgets are online, some of them, not all cities, and it's different for every city. Some it would be, what would be online would be the 2015. Saskatoon actually has a great budget summary that they put online. And so it varies from city to city.

**Ms. Rancourt:** — So you have indicated, when asked questions about how municipalities are going to manage with losing the grants-in-lieu, you've indicated that they should be using their reserves, and also your leader, the Premier, has indicated that as well. So you've indicated that, but you don't know exactly how much is in reserves for each community.

**Hon. Ms. Harpauer:** — I'm sorry. I missed the question.

**Ms. Rancourt:** — So your answer for how communities should be managing with the loss of the grants-in-lieu has been to use their reserves, but you weren't familiar with how much were in reserves for the community, the 109 communities that are losing their grants-in-lieu payments?

**Hon. Ms. Harpauer:** — Okay. So the budget decision wasn't made based on whether or not a community had a reserve. It has been given as an option because there has been a very small majority of the communities that were affected by the budget decision that have raised very vocal complaints. And that has been a suggestion of where, if they could find . . . If they can't find it otherwise, that was a suggestion of where they could find funds.

**Ms. Rancourt:** — Okay. So getting back to my original question — because now it's been determined that you do know what the reserves of the communities are from the financial statements in 2015 — can you tell me what the total reserves accumulated by sector? And so I'm looking at the reserves for the cities, the towns, villages, and rural municipalities, the cumulated.

**Mr. Comstock:** — I'm not an accountant. My staff will readily confirm that, given the opportunity. But what I'm going to try and do is give you a sense of where municipalities are at vis-à-vis reserves.

First of all, municipal accounting is very complicated and it's a bit like our infrastructure programs. How it's done is sometimes a function of who you are and where you are. For example, the ministry sets the financial statement outlines for towns and villages, but cities don't have to follow that outline. Each city has their own system of accounting and it is developed over the years. And it's, for that reason, very complicated, and there is a good deal of back and forth needed with whoever is doing the analysis to try and make sure that you're comparing apples to apples.

For example, with respect to municipal reserves themselves, municipal reserves . . . It's not as simple as just going to the financial statement and saying, oh, municipal reserves, \$4. Municipal reserves are a component of the overall accumulated surplus or equity for a municipality which includes a number of things, unappropriated surpluses which is equity within the financial statements that has not been allocated for a specific

use. So to oversimplify the analogy, that would be like the savings account. Unappropriated surplus for capital projects and other reserves, that might represent amounts that had been internally restricted for specific purposes.

There is also a figure within the accumulated surplus that relates to reserves relative to tangible capital assets which is the net book value of a municipality's capital assets — how much value is left in the water treatment plant, how much value is left in the roads and the streets, and the other infrastructure elements that the city or the town owns. And then there may be obligations to be funded from future revenues, and there are some expenses that, according to public sector accounting standards, that have to be funded from future revenues, such as long-term debt obligations associated with capital acquisitions, capital lease obligations, and that sort of thing.

So with respect to cities themselves, we did take a look at what their accumulated surplus was for cities. And I want to make sure I get the right number of zeroes on this. Sorry. So when you add up all of the different sorts of figures that go into calculating the total accumulated surplus of cities, and that includes the net book value of the assets as well that they own, seven and a half billion dollars. In terms of the breakdown of that, the number that, without us going to each city and actually talking to their financial people and making sure, but as best as we could determine, appropriated reserves of just short of 675 million.

Now with respect to the decisions that a municipality might make when faced with funding pressures, as the minister mentioned, the use of reserves as a short-term measure is a perfectly acceptable methodology for a community to use. It is of course up to the elected representatives of that community to make that decision. There are also other options and remedies available to them, including increasing other-source and own-source revenues, delaying projects, making internal cutbacks, doing the same sorts of things that ministries and agencies are doing right now in terms of vacancy management and holding off on new staffing.

So there's a wide range of options that are open to municipalities with regards to that, and I think the point the minister was trying to make was that reserves is one of the options that municipalities have available to them when they are faced with either an unexpected expenditure or an unexpected reduction in revenues.

[19:45]

**Ms. Rancourt:** — So you gave the number for cities but you didn't say how much in reserves are for towns and RMs [rural municipality]. Could you let me know about what that number is?

**Mr. Comstock:** — The latest figure that I can quote you with respect to towns and villages is from 2014. We're always a year-plus behind because of the way the accounting cycle works in terms of the analysis on the financial statements that we get. But as of the 2015 fiscal year, which was just . . . the year before the year just past, towns and villages would have had about 300 million.

Now, that is the smaller number. The number that I quoted you for the cities, the \$670 million, that's total reserves. And my understanding is that that does not include the value of the net capital assets and all the rest of that. That would be kind of the . . . I hesitate to even characterize it as ready cash, but it would be the surplus that was not already tagged for some other purpose — even though, to be fair, many municipalities would have been putting those moneys away for a rainy day, for one project or another.

**Ms. Rancourt:** — And how much for RMs?

**Mr. Comstock:** — Again, 2014 numbers, 678 million.

**Ms. Rancourt:** — So from what I'm understanding here is you don't really have an understanding of how much the cities and towns have for cash flow and reserves, but yet you use it as a talking line on how they should be managing with the lack of funding that you're providing for them. And we have to understand too that, like you said, the reserves are for major infrastructure projects, emergencies, capital expenditures, and if an event happens that's a major event that they need to prepare for. So these are not for operating expenses, these reserves, and that's why the cities have been saving towards that. And so it's important for you guys to understand how much there would be in reserves.

But I also want to put on the record too, the minister indicated that her home community lost \$6,000, and my understanding, with discussion from individuals from the city of Humboldt, it's more approximately \$300,000. And if they were to try to make up for that loss, they would have to increase taxes over 5 per cent. So that's important for her to understand the impact to her own community.

Why was it decided to redirect the funding of the grants-in-lieu from SaskPower and SaskEnergy to the General Revenue Fund?

**Hon. Ms. Harpauer:** — To correct something that you just said, I didn't say that was my home community. I said a community in my constituency. So I am well aware of the impact on my home community of Humboldt.

There is a \$1.2 billion reduction in resource revenue funding for the province, and the Premier and our government has committed to bringing our books back to balance. And so in order to do so, there is a number of very difficult decisions that need to be made, because obviously they can't come back to balance unless the spending is reduced.

So we have options of course. The largest budgets are health care, education, and social services, but we don't think we can find all that money in those budgets, nor do we want to. So we tried to make it as fair as far as . . . Maybe a harsh way of saying it was to spread the pain. And our municipal partners by far have received a much larger increase in funding over our years in government than any other sector, and we felt that they could help with this challenge that the provincial treasury is facing right at this time.

**Ms. Rancourt:** — And my understanding with the conversations I've had with municipal leaders is, they

understand the situation that the province is in. And they respect the fact that they might have to tighten their belt buckles as well, but as you also indicated previously, that it's not distributed fairly. You said yourself, it's only a small amount of communities that are impacted, only 109 out of all the communities in our province. I'm wondering, if you were trying to make this equal and fair, why didn't you think of a different way to work with communities, to consult with the leaders, and come up with a plan that would maybe be more fairly distributed?

**Hon. Ms. Harpauer:** — The most evenly distributed program that we have is revenue sharing. And so I heard very loud and very clear from the municipal leaders that even though they heard that everything is on the table, the request at meetings with the SUMA [Saskatchewan Urban Municipalities Association] and SARM [Saskatchewan Association of Rural Municipalities] boards, and meetings with individual mayors, and meetings at . . . There were speeches at the conventions and then, of course, being on the convention floor and talking to different municipal leaders, if there was one consistent message, it was, do not change our revenue sharing. And it is a very, very well-received program. It's increased revenues to the municipalities by over doubled. In our major cities, it's two and a half times what it used to be. So that is the evenly distributed program that we have.

**Ms. Rancourt:** — But aren't grants-in-lieu actually royalties that are paid only to the municipalities that sold their historical power utilities to the province?

**Hon. Ms. Harpauer:** — For the details on the grants-in-lieu, and we'll probably bring in surcharge, but I don't have the CIC [Crown Investments Corporation of Saskatchewan] officials here. I don't have the SaskPower officials here, and I don't have the SaskEnergy officials here. This is Government Relations, so the grants-in-lieu in SaskPower and SaskEnergy are not a part of this particular budget appropriation.

Now that doesn't mean that you won't have an opportunity to ask the more detailed questions on the history of the surcharge, which is important and a huge cash flow to our municipalities, and part of the history of what happened when SaskPower was formed. But all of those questions need to be asked when the legislation is before the committee. And there will also be an opportunity, probably more than any other issue, that you will have to ask these questions, because in the Crown and Central Agencies you review the annual reports of SaskPower, and they can be asked again. SaskEnergy, they can be asked again. For the legislation, they can be asked.

**Ms. Rancourt:** — And so the municipal revenue sharing, when I've talked to all the municipal leaders, they do appreciate that formula and that level of consistent payments to their communities. And they were happy to see that that wasn't directly affected in this budget, but eliminating the grants-in-lieu have effectively gutted basically . . . and a lot of other programs that were eliminated gutted the municipal revenue sharing for these 109 communities.

And again when you indicate how are these communities going to manage, you say, well they have lots of money in their reserves. But when you give me the numbers of how much are

in reserves for RMs and villages and towns and cities, it doesn't seem like it's fairly distributed. And you talk about how the money that was put in their reserves were due to the municipal revenue sharing, but again that just doesn't seem that if you're attacking the reserves of these communities, the money that they've saved for these capital expenditures and all this stuff, that it's not evenly distributed.

And again the municipal leaders indicated that they were willing to make some adjustments and changes, and they sat with you and some other ministers and they were willing to look at their budgets and make some suggestions. And before they were even able to send a list of possible alternatives, then that's when you made the media release about having the nine communities that would receive a cap. So why was it decided to cap the payment-in-lieu for the nine communities, but you did not include the other 100 communities impacted?

**Hon. Ms. Harpauer:** — If you would have read the press release, the cap is at no more than 30 per cent of their revenue sharing. So it's a mathematical calculation.

**Ms. Rancourt:** — So it was just for communities that were going to be losing more than 30 per cent of their municipal revenue sharing?

**Hon. Ms. Harpauer:** — That is correct. It was recognition, and it was at that meeting. It was pointed out that it disproportionately affected the smaller cities, and we recognized that and we responded to that. That did not mean that they couldn't come forward with suggestions. It was said at that table that if they had suggestions of where to find the 30, 33 now million . . . well \$36 million in total, that we would welcome those suggestions. They have never come forward with those suggestions.

**Ms. Rancourt:** — So if they come forward with those suggestions before the budget's passed here, will you change your mind with regards to eliminating the grants-in-lieu?

**Hon. Ms. Harpauer:** — Depends on the suggestions.

**Ms. Rancourt:** — Well I know there's a lot of municipal leaders listening tonight, and so I hope they can contact your office and make arrangements and maybe that could be possible.

**Hon. Ms. Harpauer:** — You know, and when you say . . . I think I heard you. Maybe I misheard you . . . that we're gutting their reserves. For example, let's use Saskatoon for example. Saskatoon has an operating budget that they're proposing of \$400,000 . . . 400 million, I'm sorry, and a capital of 400 million. So it's an \$800 million budget.

Regina also has an operating budget of 400 million and I'm not sure about their capital proposal. So if it was in . . . also 400 million — I'm not sure that theirs is that high — that's 1 per cent. It's 1 per cent. I wish that in the provincial budget we were only looking for 1 per cent.

**Ms. Rancourt:** — Again, I'm trying to understand how it's justified that the 109 communities will be losing 30 per cent of their revenue sharing whereas the other 600 communities that

we have in our province aren't losing any of the revenue sharing.

**Hon. Ms. Harpauer:** — The other 600 municipalities?

**Ms. Rancourt:** — Yes.

**Hon. Ms. Harpauer:** — Okay. Nobody's losing their revenue sharing.

**Ms. Rancourt:** — Well, with regards to the grants-in-lieu, you're making sure that it's not any more than 30 per cent of the revenue sharing. So in essence, they are losing 30 per cent of the revenue sharing because they're losing their grants-in-lieu.

**Hon. Ms. Harpauer:** — Equivalent to. Everyone's receiving 100 per cent of their revenue sharing. When you talk about rural municipalities, rural municipalities don't get grants-in-lieu, so they're out of the equation. Right?

**Ms. Rancourt:** — Rural municipalities don't get grants-in-lieu, but they get municipal revenue sharing. Right?

**Hon. Ms. Harpauer:** — Correct. But they have never, ever received these grants-in-lieu, which really aren't grants-in-lieu because they're really not assessment times mill rate. So they're this unique anomaly that really aren't grants-in-lieu. So if the amount of money that was in the grant-in-lieu is equivalent to more than a third of what you're receiving in your revenue sharing, then we capped it.

[20:00]

So for all of the other communities, the reduction in the grant-in-lieu was equivalent to less than 30 per cent of their revenue-sharing cheque.

**Ms. Rancourt:** — So rural municipalities are not getting the grants-in-lieu because they didn't sell their utility companies to the province. And the 109 communities that have the agreements, the signed agreements with the province and are losing that funding, they're in essence losing at least 30 per cent of what the province will provide them for their budget. Because they're losing . . .

**Hon. Ms. Harpauer:** — Nine. Well they're losing . . . or it will be equivalent to 30 per cent. All of the rest is less than that. Well 99 are losing a lower percentage, or they have a reduction that is a lower percentage than 30 per cent.

**Ms. Rancourt:** — Okay, that's getting really convoluted. Well the one big concern that I've been hearing a lot through my office is that a lot of the municipalities have not received information from the ministry of, yet, of how much of the cuts to the grants-in-lieu they'll be receiving and their complete municipal revenue-sharing. So when will the ministry be notifying these communities?

**Hon. Ms. Harpauer:** — Okay, so 100 per cent of the revenue-sharing they will be receiving. And I am working with Crown Investments Corporation to get correspondence to them as soon as possible, because it has been delayed too long. I will

agree.

**Ms. Rancourt:** — So not receiving the grants-in-lieu, is this going to be a permanent cut or a temporary cut?

**Hon. Ms. Harpauer:** — We're reviewing all revenue streams to our municipalities. So grants-in-lieu, which aren't really grants-in-lieu because they're some special program, will be part of that review going forward. And as I've said, I can't see it returning in its present form. But we'll be having those conversations and reviews as we go forward throughout the year.

**Ms. Rancourt:** — Because I believe that I saw that you had indicated that this will be only for one year, and municipalities are really feeling like they're getting mixed information. So when will they know what they're looking into for future years, because they've made 2-, 3-, 4-, 5-, 10-year plans? So how will they know how to budget going forth?

**Hon. Ms. Harpauer:** — Well they'll have to budget how they were used to when the NDP [New Democratic Party] were in power. And I've got a Michael Fougere quote on how they had to wait until the provincial budget before they approved their own budget because they had no clue what was going to be in the budget. And so part of why they liked the revenue-sharing formula, along with the fact that it was pretty substantive increases year over year until this year, was the predictability of it and the fact that they could then do their budgets prior to the provincial budget.

So this year we'll be reviewing, and we'll be, you know, working with the municipal partners. But it'll be under review, all of the revenue streams to municipalities, for this year going forward.

**Ms. Rancourt:** — Well I believe that the revenue-sharing formula was started and developed by the NDP and carried through from your government, which we appreciate. And you ask any of the municipal leaders, and they'll indicate that.

But we were talking about the grants-in-lieu and if those were going to be temporary or if those were going to be permanent loss for communities. So could you provide a more clear answer for the municipal leaders that are listening right now, whether these grants-in-lieus are going to be terminated permanently or terminated temporarily?

**Hon. Ms. Harpauer:** — We'll determine that in the year going forward.

**Ms. Rancourt:** — And I could guarantee that an NDP government wouldn't have broke royalties that were signed and agreed. They wouldn't have broke contracts that were signed and agreed and taken away legal rights for communities.

**Hon. Ms. Harpauer:** — You need to do a little research and look under GRIP [gross revenue insurance program]. It was a lot more contracts than this. And it's a reason why the NDP do not hold one rural seat in our entire province. Check it out.

**Ms. Rancourt:** — That might be changing. Again I think cities and towns and villages, they deserve to know what's going to

be happening in future years. So you've made a little bit of hints to how even all of the funding that'll be provided to municipalities are subject to change here.

**Hon. Ms. Harpauer:** — Revenue sharing is based right now under our government on one point of the PST [provincial sales tax]. And as you well know in this budget that the PST has changed substantively within this budget. So that'll be conversations we'll be having going forward because absolutely it's going to be reviewed. Also by legislation, the revenue-sharing pools have to be reviewed, and this is the review year.

**Ms. Rancourt:** — So what was the reason to not redirect the funding of the grants-in-lieu from SaskTel to the General Revenue Fund?

**Hon. Ms. Harpauer:** — SaskTel pays grants-in-lieu based on a piece of property. It's based on the assessment of the property and the mill rate for that particular community.

**Ms. Rancourt:** — So how is that different than the SaskPower, SaskEnergy ones?

**Hon. Ms. Harpauer:** — SaskTel and SaskPower is based on usage . . . Sorry, SaskEnergy and SaskPower is based on usage.

**Ms. Rancourt:** — And SaskTel is based on property?

**Hon. Ms. Harpauer:** — Correct.

**Ms. Rancourt:** — Can you list the consultation the ministry had with municipalities about ending this long-term contract before the budget was released?

**Hon. Ms. Harpauer:** — I don't have the exact dates but I've met with the board of SUMA prior to the budget and said it was going to be a very, very difficult budget and everything would be on the table. We'd be looking at all revenue streams. I met with the City Mayors' Caucus; same message. I met with the president and executive director of SARM; same message. The vice president was at that meeting as well, for SARM. I was at the, spoke to the convention at both SUMA and SARM, as well as the Premier. The message was very consistent. The Premier said everything was on the table including grants-in-lieu, at both conventions.

The Premier didn't spend the majority of the days at the conventions such as I did, that I was on the floor of the conventions and having community meetings throughout the days of all of those conventions.

It's kind of interesting because an education institute in my constituency, on budget day — post-secondary — and I said, you know, how are you feeling? And he said, you know, we heard the message. He said, it's pretty clear, so we budgeted for 5 per cent less. And he said, so we're ready for this reduction.

I'm not sure which cities or towns or villages heard the message and budgeted for a little bit less, because no matter what line it comes out of, we projected time and time and time again that there was less money available for all of our different sectors within the province.

**Ms. Rancourt:** — So when you're saying that everything was on the table, that was your method of consultation with the leaders of the municipalities?

**Hon. Ms. Harpauer:** — You know what? They came forward with ideas. And their idea was, don't touch revenue sharing. We are desperate for infrastructure dollars, so you know, when you're looking at everything please don't reduce that. They offered up nothing, so we protected what they thought was the most important.

**Ms. Rancourt:** — So when you take the grants-in-lieu away from a lot of these communities, and so for the total amount of money that the province is giving them, I think a lot of these communities, that's a lot more than a 5 per cent decrease.

**Hon. Ms. Harpauer:** — Some of them, yes. I mean, decrease from what?

**Ms. Rancourt:** — The provincial money that they're getting.

**Hon. Ms. Harpauer:** — The grants-in-lieu for the city of Humboldt — which will be difficult for them; I absolutely know it will be — is going to be equivalent to 30 per cent of the amount of their revenue sharing.

**Ms. Rancourt:** — So do you honestly believe that when you said to these municipal leaders that everything was on the table, and you said that they were realizing that there was going to be a reduction, that they understood that it could be a 30 per cent decrease?

**Hon. Ms. Harpauer:** — This isn't their only revenue stream, so they also get a surcharge which is pretty substantive. So it wouldn't work out to a 30 per cent decrease.

But I guess, here, you know, difficult decisions and difficult budget. I look to you because I'm also ready for suggestions. Health care? Should we take it from there? Education? Should we do further reductions to education? I mean, these are difficult decisions.

Should we say to our municipal partners, do you know what? We're going to do more cuts to health care, more cuts to education, more cuts to social services just to keep you whole. You don't have to help at all. We have given you by far, more than any other sector, of increases in our time in government. You have had the biggest increases of any sector — more than education, more than health care, your increase has been. But guess what? We don't think you should share in this either. We are going to take it from education. We're going to take it from health care. We're going to take it from somewhere else. Is that reasonable?

**Ms. Rancourt:** — Well like I said before, I know with talking to these municipal leaders, they said that they realize that there was going to be cuts, that they were going to have to make some adjustments and changes, and about having partnerships. It's about consultation with them, and they were willing to do what they needed to do.

But right now we're picking winners and losers, and the losers are the 109 communities that are being fully impacted by these

cuts, and I think that's not fair since we have a lot of other communities in the province. And if you were going to have to make some decisions, why was it not evenly distributed throughout the province?

**Hon. Ms. Harpauer:** — The problem with the program was all the rest of the communities, the majority of the communities, were losers all along. They never got it. Like these communities have had the privilege of this money over all these years, and the neighbouring community never ever received a dime. So who's the losers in that? Like they were the losers all these years.

And I'm just . . . I don't know, I'm mildly curious. When the party you support was government, and municipal revenue sharing went from 95 million down to 84 the following year, and then down to 81, and then — I'm just going down — oh, from '96 to '97 it went from 76 million down to 55 million, and it kind of stayed there for a while, and then it dropped to 54 million. Did you consult?

**Ms. Rancourt:** — Well my understanding, and I was probably in high school at that time, but my understanding is that there was difficult times. And the reason why the municipalities indicated that the fluctuation . . . They wanted something more consistent. That's why they discussed with the government.

And from what I understand is that Harry Van Mulligen was the one that started working with the municipalities, and they started making a plan. And they decided how are we going to establish a plan that can be more consistent so that communities and municipalities can create their budgets. Because municipalities provide a lot of services that are provincially related, such as police services, because 10 per cent of police calls are municipality issues. The majority of them are provincial or federal that they're dealing with. And there's a lot of other issues that they deal with, like the services that they provide help alleviate costs with health or social services.

So they talked about what could be more consistent, and then that's when the municipal revenue-sharing formula was discussed. It was planned. They were going to implement it in 2007. Then your government won, and so then they went up to . . . They went to that government, and they said I hope you will carry through with this.

This is what I'm hearing from municipal leaders. I'm sorry. This is where I'm getting my information from because I like to consult with them.

[20:15]

And so then they talked with your government, and they were happy that your government followed through with that plan because they realized that this was really important. And so I don't think this is helping municipal leaders right now, bringing up things that happened 15, 20 years from now, when they're dealing budgets right now. They're dealing with tough situations right now, and they're wanting answers.

And I'd like to remind the minister that there's municipal leaders across the province watching right now, and they're wanting to know some answers. And this is what this

opportunity is, is to provide some answers to what the issues are in the budget. And so I would hope that you could be a little bit more respectful with regards to the answers you're providing to the municipal leaders that are watching.

So one of the other issues that a lot of the municipalities have been indicating to me is that the urban municipalities — like the small villages, our hometowns — are providing a lot of services for people who live around their communities. And they provide these services, but the people who are actually paying for the services that are available in those communities are the taxpayers in those communities. And so they're having a tough time with the cuts to the rinks, the cuts to different other areas that they were receiving funding for. So do you have a plan to deal with rural municipalities accessing urban municipal services?

**Hon. Ms. Harpauer:** — Oh, we're not dictating that.

**Ms. Rancourt:** — You don't have a plan to help urban municipalities that are struggling because they're providing services for a larger area?

**Hon. Ms. Harpauer:** — There is regional co-operation areas within our province that are working that out quite nicely; I live in one, the Mid Sask Alliance. And the municipalities are having those discussions in certain areas around the province as . . . And I encourage it. But are we going to dictate that the urban municipalities have to contribute to the rural, or vice versa, the rural has to contribute to the urban because they're using the urban facilities? No.

**Ms. Rancourt:** — So what examples are they using in your area that has been working and has been successful with building those bridges and those relationships?

**Hon. Ms. Harpauer:** — It actually started in my area. It was largely inspired by the original thoughts or the initial thoughts that BHP may establish a mine there and that it could be a rapidly growing community. They knew they had to work together and do some regional planning, and actually it virtually started before that.

There was conversations before that when the Humboldt Hospital was built. It is amazing how many municipalities contributed to the Humboldt Hospital. It was — I forget the exact number — but they were the small towns and villages surrounding Humboldt as well as the rural municipalities. All had the conversation and they all contributed. And so there has been those conversations, and then that sort of leaped from there to a more organized and concerted effort on their part of regional planning with the idea that the BHP mine, when it's up and running, was going to create rapid growth.

And so they had to take and do an inventory around the region of housing. Could they accommodate housing? Could they accommodate education, the schools? Could they accommodate amenities? You know, who has halls, who has rinks, and what kind of sharing can they do? For example, I'll give you, BHP contributed money to a brand new rink in LeRoy, Saskatchewan. It's a relatively small town, not too far from BHP. And Humboldt rents ice time from LeRoy rather than Humboldt trying to generate the funds to build another rink for



themselves. They have a rink of course, but they have a number of teams and so they're always short of ice time. So rather than building another brand new rink, they are going to rent ice time from LeRoy, which has this beautiful brand new rink.

There are other areas. I would need those leaders, quite frankly, to give you the rundown, and I'm sure they're willing to meet with you at any time on other areas where they regionally plan. But that is something that I very much encourage municipalities, regions. And it's not the only one. I know Mayor Clark at . . . I'm going to say SARM. I think it was a speech he gave at SARM — you might have been there — on how they now have regional planning happening from Saskatoon going north. They've got rapid growth of course at Martensville and Warman, by the way which are two communities that don't receive grants-in-lieu, so it's not that fair.

So there was . . . You know, like, it's happening. This planning is happening for communities that want it to happen.

**Ms. Rancourt:** — Is there any plan to change the education mill rate?

**Hon. Ms. Harpauer:** — We did.

**Ms. Rancourt:** — So my understanding is that the provincial assessment is going up from 70 to 80 per cent?

**Hon. Ms. Harpauer:** — No, mill rates are numbers. You're talking about percentage of value. You're not talking about a mill rate.

**Ms. Rancourt:** — How much did the mill rate go up then?

**Hon. Ms. Harpauer:** — For agricultural property . . . All of the mill rates went down. For agricultural property, the mill rate went down to 1.43. For residential property, the mill rate went down to 4.18. For commercial and industrial property, the mill rate went down to 6.27. And for all resource property, the mill rate went down to 9.68.

**Ms. Rancourt:** — So Saskatchewan uses a four-year assessment cycle. Is there any plans to adjust or change the system?

**Hon. Ms. Harpauer:** — We had an official that temporarily left who's been involved in all of the discussions on . . . There's some groups that would like to see it more frequent. There's some that don't, so there's mixed desires among those that are affected. But there is a cost to doing it more frequently. Could I get you to repeat your question for John Edwards.

**Ms. Rancourt:** — Hi. So Saskatchewan uses a four-year assessment cycle. Is there any plans to adjust or change this system? My understanding is that some other provinces do it yearly. Some do it biyearly. So is there a plan on changing that?

**Mr. Edwards:** — Not at this time. There have been discussions and reviews done in the past on that question. SAMA [Saskatchewan Assessment Management Agency] had led a review, consulted with the different municipal sectors and business and, at the end of the day, there was no consensus.

Some felt that it should be done more frequently. Some felt that the four-year cycle was just fine. So with that kind of result, where there's no consistent position, it was left as it was.

Some of the factors that you need to consider in thinking about reducing the length of the cycle are the cost and the impact on the assessment appraisers' community. Right now we have a shortage of assessment appraisers, so there's probably not the staff to do it more often. SAMA, as part of its review, did a cost estimate in terms of what it would take, and it concluded it was another million dollars, which neither SAMA nor the funding parties had at the time. So it was not felt to be a good idea.

On the other hand, more frequent numbers means a better reflection of the market values. But Saskatchewan has typically been a fairly stable market; we've seen some exceptions in the last few years. So that wasn't a big factor at the time.

**Ms. Rancourt:** — When you say that it would cost an extra million dollars, is that to move into a yearly cycle or biannual cycle? What would that look like?

**Mr. Edwards:** — That was to go down to a two-year cycle.

**Ms. Rancourt:** — Okay.

**Mr. Edwards:** — If I recall correctly.

**Ms. Rancourt:** — Okay. Thank you. At SARM there was a resolution that was passed with almost 93 per cent support to “. . . lobby the provincial government to amend section 27 of *The Tax Enforcement Act* to specifically give municipalities a legislative right to a preferential lien on oil and gas properties.” Has this been considered?

**Mr. Edwards:** — The convention was just a month ago so at this point, no. As with all SARM resolutions or SUMA resolutions, when they come in to us we do take a look and weigh the pros and cons and provide a response.

**Ms. Rancourt:** — Has the thought about putting a lien on oil and gas properties been discussed before?

**Mr. Edwards:** — Well one of the complicating factors with that resolution is that the kinds of impacts that they're concerned about all fall under federal bankruptcy law, so we don't really have control over it. What was happening, and it's happening a bit in Alberta as well, is that energy firms are struggling with their situation and are no longer able to continue. The net result is that there's a financial impact on the municipality when the taxes don't get paid and the title changes on the property, or when the firm goes bankrupt and the asset is sold. So all of that is basically governed by that federal legislation, so what they ask for is a bit of a challenge.

**Ms. Rancourt:** — So what would the provincial government do to help support this resolution? Would they advocate on SARM's behalf to the federal government on this issue, or would they refer back to the individuals that put forward this resolution and direct them towards the federal government?

**Mr. Edwards:** — We'll have to look at that more as to whether there is something that's open to us. There are other steps that

the municipalities can take in terms of initiating action to pursue their tax dollars sooner. There are other tax remedies they can pursue. So it's a question of looking at it and trying to assess from a technical point of view which are the best approaches in terms of effectiveness in the context of that federal legislation.

**Ms. Rancourt:** — Thank you. I have some more questions, but we're getting close to break time.

**The Chair:** — Thank you. Yes, this committee will break for 10 minutes and come back at 20 to 9.

[20:30]

[The committee recessed for a period of time.]

**The Chair:** — Being 20 to again, this committee is now back in session until 22:11. Ms. Rancourt.

**Ms. Rancourt:** — We know there is a mandated 3.5 per cent reduction across the public sector. Can you highlight how many people this will impact in your ministry?

**Hon. Ms. Harpauer:** — We have 271 FTEs in the ministry, but it's in the total compensation package that this has to be found. I'm being corrected already. It's 237 FTEs.

**Ms. Rancourt:** — So is every one of those FTEs getting the 3.5 per cent reduction?

**Hon. Ms. Harpauer:** — It is. You have to find that 3.5 per cent reduction in the total compensation across the PSC [Public Service Commission].

**Ms. Rancourt:** — So where would you find those other reductions?

**Hon. Ms. Harpauer:** — So the employers and unions are being asked to work together to find solutions to achieve the total compensation cost savings.

**Ms. Rancourt:** — Where are the employees' contracts in this cycle?

**Hon. Ms. Harpauer:** — I'm being advised that all in-scope are in SGEU [Saskatchewan Government and General Employees' Union] and they're in negotiations right now.

**Ms. Rancourt:** — The budget outlined that there will be 250 million in savings. Do you know what percentage of this 250 million is expected to be found in Government Relations?

**Hon. Ms. Harpauer:** — No.

**Ms. Rancourt:** — Do you know where the 250 million came from?

**Hon. Ms. Harpauer:** — 250 million is the amount that we needed in the budget, so it came from treasury board, Finance, the government, the budget.

**Ms. Rancourt:** — But none of it from Government Relations?

**Hon. Ms. Harpauer:** — It's across the entire public service, so all of the heads will be working together on how the total compensation package will look like. There will be obviously a number of different negotiating tables, so we won't pre-empt what's negotiated at those tables.

**Ms. Rancourt:** — So there will be some from Government Relations? You just don't know what's up yet or . . .

**Hon. Ms. Harpauer:** — No, because we're at . . . No, we don't know as of yet.

**Ms. Rancourt:** — You highlighted that options for municipalities to deal with funding pressures are to increase their revenues and some options for that is increasing taxes or levies. To be clear, would you be supportive of municipalities increasing their taxes?

**Hon. Ms. Harpauer:** — It would be our preference they do not. I do know that there will be, depending on each of the different . . . We're talking cities. Of the cities, there will be different options available to each of the cities. And as I said, the smaller the city, the more difficult that will be to find savings within their budgets.

[20:45]

I have to say I absolutely admire and commend my own home city. They are very, very mindful of the taxpayers' dollars. Their wages that they have for the mayor and the councillors and their employees is extremely modest and so that wouldn't be an avenue for them to look. They're going to be looking elsewhere. Each city will have their own budgets, their own programs that they support and be making their own decisions.

**Ms. Rancourt:** — What about the towns and villages that are needing to look at some other ways to increase their revenues? Would you support them having to raise their taxes?

**Hon. Ms. Harpauer:** — That'll be their choice to make.

**Ms. Rancourt:** — So you would be supportive of them raising those taxes?

**Hon. Ms. Harpauer:** — I don't know why you're trying to get this on record. I respect their decision. I'm not putting this on record for you. I will respect their decisions. We would encourage them to tighten their belts and find efficiencies such as we have.

**Ms. Rancourt:** — We have seen a lot of downloading on the municipalities, and we know that they are contemplating on increasing the taxes or cutting services. The Education minister, when he saw cuts to some programs, said that he would not approve them. When it comes to municipalities, are there program cuts that you would simply refuse to allow?

**Hon. Ms. Harpauer:** — We don't have the authority.

**Ms. Rancourt:** — Oh. So why would the Minister of Education have more authority than you would with allowing that?

**Hon. Ms. Harpauer:** — Because he has to approve the school

division budgets.

**Ms. Rancourt:** — And you don't need to approve the towns, villages, RMs, so these budgets?

**Hon. Ms. Harpauer:** — Correct.

**Ms. Rancourt:** — So can you outline the municipal revenue-sharing formula?

**Hon. Ms. Harpauer:** — It's one point of the PST.

**Ms. Rancourt:** — I gather that. But how is that formula outlined for the resorts, the cities, the villages, the towns, the RMs? How does that . . .

**Hon. Ms. Harpauer:** — 7.45 per cent goes to northern communities, 28.25 per cent goes to the rural municipalities, and 64.29 per cent goes to the urban municipalities.

**Ms. Rancourt:** — And is there like a per capita amount?

**Hon. Ms. Harpauer:** — We'll get the formula explained to you by Keith.

**Mr. Comstock:** — Thanks. So as the minister has explained, there are four pools within the revenue-sharing program. Cities receive 47.945 of the pool, rurals receive 28.254, towns and villages receive 16.345, and the North receives 7.456. Each one of the pools is distributed in a different way. Cities have chosen to distribute theirs . . . The recommendation was just per capita, so the cities pool is distributed on a straight per capita basis.

The town and village pool has a small base grant — \$2,200. And so each town and village, no matter of its size, gets that, and then the remainder is distributed on a per capita basis.

The rural municipalities pool is distributed using a combination of transportation and roads-related data. 70 per cent of that money is based on that and then 30 per cent is on a per capita amount.

And in the North, it's distributed based on the estimated service delivery costs for four core services — administration, water and sewer transportation, and landfills.

So the reasons of why the pools are different, are allocated in different ways . . . we work with the sector quite closely and have negotiated back and forth their preference for the distribution in each one of these ways. City leaders were definitely interested in a straight per capita and so that's the way we do it.

There is a rationale behind the town and village pool. Again some of the towns and villages are quite small, so there's a base grant that you kind of get no matter how big you are and the rest of it is per capita.

Rural municipalities expend a huge amount of money on maintaining the transportation network, and it is a very fluid network — road classifications change over the course of the year, new roads are built, some are closed, and so we've got . . . Their formula is actually by far the most complicated, and we

rely on our colleagues at the Ministry of Highways to give us a hand with, not only the amount of roads that exist in each rural municipality but also the classifications of each one of them. And there's a sliding scale that's embedded in the regulations that's used there.

And in the North, when the review of revenue sharing was done a number of years ago, we worked with northern leaders to come up with what they felt was the most appropriate way to distribute the money in the North and that was based on actual expenditures that they incurred in these four core areas.

And as you can see, in the split of the funding pools themselves is not on a per capita basis. It's on a basis of when we developed the formula years back and expenditures that were made by each one of those pools delivering the services that were important to their citizens.

**Ms. Rancourt:** — Some of the village administrators that I've been talking to have indicated, because the census, their population decrease, they're getting a little bit less revenue sharing due to that. But if they're getting like a set amount, or is it per capita?

**Mr. Comstock:** — Villages would get a . . . All villages and all towns would get that base grant. So I don't know exactly how many towns and villages we have, but say there was 500. What we would do is, of all of the money that was available in the town and village pool which this year will be just over 42 million, they take \$2,200 times as many towns and villages as we have. And whatever money was left then, we would allocate on a per capita basis based on the populations of all of the towns and villages. And so it's just a simple calculation.

So in a census year, it's always the most complicated because there are changes in population. And in a year like this where there was a small decrease to the pool, so there's the double change that's going through, so there'd be a little more variability in the calculation. But the surety not . . . We didn't see a huge swing in town and village population. Some went up more than others, but the per capita amount again will vary depending on what the total amount of people that are living in towns and villages comes out to be.

**Ms. Rancourt:** — So if a person was to try to figure out a per-person amount that was given, how would that look like? Would people who were living in certain areas of the province be getting more per individual living in their communities, or is it evenly distributed?

**Mr. Comstock:** — I'm not sure I understand the question.

**Ms. Rancourt:** — I realize that there's certain areas that do get paid per capita but some don't. But if you tried to figure out based on the populations how much money communities were getting, would it be evenly distributed?

**Hon. Ms. Harpauer:** — Okay. So let's say there's 10 towns with 10 people each. So they each start with 22,000 . . .

**A Member:** — 2,200.

**Hon. Ms. Harpauer:** — 2,200. Sorry, 2,200. And then you take

the money and you divide it by 100, and each town gets a 10th of it. One person's one person.

**Ms. Rancourt:** — But if you're living in a town, village, RM, or city, are people living in all the different municipalities getting the same amount per person?

**Hon. Ms. Harpauer:** — All towns, villages have the one pool that's distributed with the base amount and then a population factor. Cities chose just population so that they don't have a base amount. You just take the population of all the cities, add it together, divide the pool amount by that number, and then it's distributed per capita, per city. And then the rurals, of course, then you start factoring in all of the other things that Keith described, which isn't necessarily people.

**Ms. Rancourt:** — Okay, so some areas could be potentially getting more money from the province, per individual living in their communities, than others?

**Hon. Ms. Harpauer:** — If you're comparing town to town?

**Ms. Rancourt:** — Town to . . . or not town to town. Like village, town, RM, city.

**Hon. Ms. Harpauer:** — Village, town is the same amount per person no matter where they are in the province, except the North because that again goes to a different allocation formula than South. But if you're going from Colonsay to Viscount, the calculation's the same, the amount per person's the same.

**Ms. Rancourt:** — So I realize that cities get paid per capita. But have you ever, as a ministry, determined how much, if you were to do it by a per capita basis, how much people were getting in different municipal . . .

**Hon. Ms. Harpauer:** — So I think where you're going is, should the funding in the municipal revenue sharing be distributed per capita, period? And I think that's what you're alluding to. And that would then change the northern communities; they would receive less of course because it is sparse in the North. And it would then reduce . . . If you went straight per capita, the rural municipalities would see less. Some urbans might even see less.

It's a dangerous road to go down. There's a reason why the small urbans choose a base and then per capita above that. There's a reason why the federal programs do the same. And we encourage that, and we don't want to set a precedent where we're going to the federal government saying, we want a base and then a per capita allocation because, quite frankly, Saskatchewan would lose in a big way.

But I know this is something that SUMA's pushing in its agenda, that they have been fairly vocal on. But when you look at all the revenue streams, that changes the numbers substantively because there isn't other revenue streams to the rural municipalities. There's revenue sharing, municipal revenue sharing, and there's a small allocation for a rural program in Highways.

But if you take the municipal revenue sharing and you take the Highways funding — there's a small allocation for urban

connectors and then there's a small allocation for rural roads — and then you go to the SaskPower surcharge, and then you go to the enormous amount of money that's invested into infrastructure, and then you take the population and you divide that into those numbers, our urban funding per capita is \$7,909 per person. Our rural is 5,479.

So if we want to take even more out of the rural from the revenue sharing, that difference would be even greater, where the rural population receives even more significantly less than the urban than they do already.

**Ms. Rancourt:** — I didn't suggest anything. I was just asking questions. And I know after a census that the revenue-sharing formula is supposed to be up for negotiation. And so will that be happening soon?

**Hon. Ms. Harpauer:** — Yes. It's not a negotiation, but it is a discussion and a review. So that'll be starting . . . Right now, obviously, officials as well as elected people are busy but, you know, it'll start through the summer or fall.

**Ms. Rancourt:** — When is it expected to be completed?

**Hon. Ms. Harpauer:** — We don't have a date.

**Ms. Rancourt:** — Not before the next session or . . .?

**Hon. Ms. Harpauer:** — In the fall session? No, I don't think it'll be completed by then.

**Ms. Rancourt:** — How long does something like that generally take?

**Hon. Ms. Harpauer:** — So it's only been done once before and it took over a year, I'm being advised.

**Ms. Rancourt:** — Do you anticipate there being any changes?

**Hon. Ms. Harpauer:** — To the pool allocation? I don't know yet. We haven't even started.

**Ms. Rancourt:** — What are your plans for consultation with the sector?

[21:00]

**Hon. Ms. Harpauer:** — So no decisions have been made yet as to what the process will be. And once those decisions are made, we'll be consulting with SUMA, SARM, and the North.

**Ms. Rancourt:** — With respect to revenue sharing, I understand that while grants are unconditional, the foundation of how the original formula, the 1 per cent of the PST was intended to reflect the services municipalities delivered to their taxpayers on behalf of the province; for example is the police forces enforcing some of the provincial and the federal governments' laws. And they do enforce obviously municipal bylaws as well, but that's usually a small portion of what they do enforce. So that's just one example of what that formula is for.

But can you help me understand in general what services are

provided by municipalities to the residents using the municipal revenue? And again I would like to see what they do based on the different sectors. So like what would towns be using the municipal revenue sharing for, what would villages be using it, and what would RMs?

**Hon. Ms. Harpauer:** — So it is unconditional as you mentioned, and so you'd have to have that conversation with SARM, SUMA, the New North because it's going . . . I would say it's very varied, probably becomes part of their revenue. So everything they do, they don't go, okay, here's the municipal revenue sharing; we're going to use it just for this. I dare to say most of them don't do that. Now maybe some do, and I could be very wrong there. But for the most part, it just becomes part of their revenues. So then they have this revenue pool, and then they decide what services they're going to deliver through that revenue pool. And I don't think they go, okay these two blocks of taxes is going to go for this program and this revenue sharing's going for this and the surcharge here is going for that. I don't think they budget that way.

**Ms. Rancourt:** — My understanding when discussing the way communities will budget is that they use the taxes, property taxes, to pay for services that are for people's individual properties — so garbage, recycling, water, sewer — that kind of things that people need for their actual properties, and then they have different grants for different areas. And that the municipal revenue sharing was intended for services, like I said before, that would be services that they're delivering on behalf of the province.

**Hon. Ms. Harpauer:** — No, that's not true.

**Ms. Rancourt:** — Well I heard that from multiple municipal leaders who were developing their budget, so I guess they disagree with you. So you just think that municipal revenue sharing just goes into a basket of money for them to use for their budgets?

**Hon. Ms. Harpauer:** — That's what unconditional means.

**Ms. Rancourt:** — Okay. Besides revenue sharing, which other funded programs is the province providing to specifically towns and villages?

**Hon. Ms. Harpauer:** — Through this ministry, it's the infrastructure funding that we provide to towns, villages, cities. There is some allocation to the rural, but most of that allocation is for the parks.

**Ms. Rancourt:** — So is there other funding, like specific grant-related funding, that is provided for villages?

**Hon. Ms. Harpauer:** — In my ministry? No.

**Ms. Rancourt:** — It is my understanding that potash companies operating in the province see their property taxes redistributed through a formal agreement. How are these revenues distributed between RMs and . . . [inaudible] . . . villages and cities?

**Hon. Ms. Harpauer:** — You're going to get another complicated formula. That is governed . . . And I think we're

going to get John Edwards back. It's governed by a specific Act, and it's yet again another different formula of distribution.

**Mr. Edwards:** — The legislation that the minister referred to is called *The Municipal Tax Sharing (Potash) Act*. It was introduced in the 1960s, and there are regulations to supplement the Act.

Basically what happens is the legislation and regulations are administered by a municipal potash-tax-sharing administration board that's appointed under the legislation. The board consists of three members: two nominated by SARM, one by government. The way the system works is that the board calculates, according to the formula set out in the regulations, a mill rate based on the mill rates of the different municipalities in the areas affected within a certain distance of the potash mines — they're called areas of influence — and then that mill rate is applied by the municipality that has the mine.

The resulting revenues that are collected from the mines are then pooled back to the administration board, and the administration board then applies the formulas set out in the regulation. The distribution of the money is essentially based on the amount or proportion of the municipality that's in the area of influence, in each rural municipality, and there's a different amount, depending on how far away they are from the mine. And then 10 per cent of the total revenues are set aside for urban municipalities within those areas, so that's basically towns and villages at this time.

**Ms. Rancourt:** — So why is there a big difference between what the RMs and the villages get, like only the 10 per cent for the villages?

**Mr. Edwards:** — The historical rationale for the formula was basically to provide, shall we say, a compensation for the effects of the mine on the surrounding municipalities, particularly impacts on roads. The municipalities, the urban municipalities in the area of course are also affected to a degree, but then they also have businesses and workers living in those municipalities who pay property tax. So that's the sharing that was arrived at historically and, as I said, it goes back a good number of years.

**Ms. Rancourt:** — How much of that potash is on the highways? I thought potash was primarily transferred, like using trains.

**Mr. Edwards:** — You're right. The potash is generally shipped for export by rail.

**Ms. Rancourt:** — But the money, you were saying, like the 90 per cent, was to help with the roads?

**Mr. Edwards:** — That was the original rationale, yes.

**Ms. Rancourt:** — And how often is that committee together to renegotiate the distribution?

**Mr. Edwards:** — Let me be clear. There's no renegotiation involved. They basically, on an annual basis, determine what the mill rate is and the sharing arrangement, based on the formulas that are set out in the legislation and regulations. This

is an administration board. It basically does the calculations. It just takes in the money, distributes the money, files an annual report that's tabled, a financial statement that's tabled in the legislature.

**Ms. Rancourt:** — So quite similar to the grants-in-lieu, not all RMs get this potash revenue, right? Am I correct?

**Mr. Edwards:** — It goes to the RMs within a certain distance of the mine. Not all RMs are affected by the mines, obviously.

**Hon. Ms. Harpauer:** — It's not unlike . . . Not all RMs get the revenues from the oil and gas industry if there's no oil and gas there. And if there's no potash mine, not all RMs get the revenues from the potash mine, or any industry, wherever it's located.

**Ms. Rancourt:** — So that would, you know, contribute to the rationale of why the 109 communities get the grants-in-lieu, because they had the power corporations there. Not all communities had that.

**Hon. Ms. Harpauer:** — Well, like I said, we can get into more detail when the legislation's there. But actually the grants-in-lieu, most of them were SaskEnergy. There wasn't a power company.

**Ms. Rancourt:** — Are there any towns or villages represented on the board?

**Mr. Edwards:** — No, not at this time.

**Ms. Rancourt:** — Okay. My next set of questions, I'm going to probably need Mr. McKay because it's about provincial disaster assistance program. I think that's his area . . . [inaudible interjection] . . . No? Okay. Your turn will come. Thank you.

So in this budget I notice that there was no increase to the provincial disaster assistance program funds this fiscal year. Is there a reason for that?

**Hon. Ms. Harpauer:** — I can answer that one. Yes, because we can't predict a disaster, it's a base fund. But that's why you always see the PDAP [provincial disaster assistance program] money come in mid-year, because then we have a better indication of what . . . the cost of any disasters that we've had to respond to. So this is why it varies year to year, and hopefully, fingers crossed, we have few to no disasters this year.

**Ms. Rancourt:** — So how many claims were made last year?

**Mr. Hilsenteger:** — Hi. Grant Hilsenteger. I'm the executive director of PDAP. Last year we had . . . In '16-17 we had about 602 claims.

**Ms. Rancourt:** — And so in 2015, I have it noted that there was about 298. So that's quite a substantial amount compared to that year. Is there a reason why there's an increase?

**Mr. Hilsenteger:** — I mean every year varies and it depends on . . . You can have a high spring flooding season, and/or then you can have heavy rain seasons. Last year we had a period around the middle of July and then towards the end of July

where we had some fairly large systems that just sat overtop of the province and rained, and rained substantially, and so a lot of communities were affected. So it's like trying to predict the rain a year in advance.

**Ms. Rancourt:** — So can you give me a little bit of a breakdown of what the claims looked like last year?

**Mr. Hilsenteger:** — Sure. I'll just make sure I've got the right numbers here. Of the 602, principal residence claims were 386 of those; small business were 66; primary ag enterprise were 61; municipal were 31 . . . oh sorry, 39. I'm reading over columns. There were no First Nation claims. Charitable organizations were one; and then dribs and drabs, two regional park authorities and . . . Oh sorry, temporary relocation grants, there were two.

**Ms. Rancourt:** — Those temporary relocation grants, could you explain those a little bit?

**Mr. Hilsenteger:** — That's essentially a situation where someone needs to be relocated, if their home has been damaged and they need to be relocated immediately away from it while their home is being repaired.

**Ms. Rancourt:** — I toured Regina Beach and there was some land there that some of the homeowners had to leave. Would that be like an example of a situation like that?

**Mr. Hilsenteger:** — I'm not sure on the specifics on that, but yes, that would be an example where we would have a relocation assistance grant as part of PDAP. Yes, so if their home is in a situation where there's water up to the rafters and they just can't live there and there needs to be somebody there to do some work, they would be relocated.

**Ms. Rancourt:** — And so how much was the total amount of those claims?

**Mr. Hilsenteger:** — For last year? Well, okay. So last year the claims were 25.6 million. That's what we spent in PDAP in '16-17. That amount splits out because we also pay for previous year claims. So the math gets a little bit complicated, but essentially \$5.7 million was for claims received in 2016, and then the remaining 20 million was for prior year claims.

[21:15]

**Ms. Rancourt:** — So how many claims are still active?

**Mr. Hilsenteger:** — Right now for . . . Are you talking just for 2016 or overall?

**Ms. Rancourt:** — 2016.

**Mr. Hilsenteger:** — Right now, well according to our last weekly report, 112 are active.

**Ms. Rancourt:** — Is there still a delay in federal payments?

**Mr. Hilsenteger:** — Absolutely. Yes. It's a long process. And the reason it's a long process is because from the time the federal government approves a disaster event and allows us as a

province to claim assistance from them, there's a five-year period, and usually it's municipalities that take that long to finish repairing the damage, so it's usually roads. And so then we have five years, and then we have some time that we have to go through final audits and then an audit process with the federal government. So it can take six, six and a half years before we get our money back.

**Ms. Rancourt:** — Do you have an idea of how much money you're waiting for from the feds?

**Mr. Hilsenteger:** — I do. I don't have it right in front of me. We're estimating about \$242 million right now that we will be recovering from the federal government.

**Ms. Rancourt:** — That's a substantial amount. Yes. Do you expect that there'll be an increase in claims for this fiscal year?

**Mr. Hilsenteger:** — Well that's hard to say. That's really hard to say right now. It's so early.

**Ms. Rancourt:** — Is the current amount of funding meeting the capacity of the claims?

**Mr. Hilsenteger:** — It is for now. But it's April. So, sorry, not being flippant, but it's . . . Usually PDAP receives sufficient funding to keep the lights on and the doors open. That's about it. There's a little bit of funding in there for claims, recognizing, as the minister said, that we never know what the claim situation is going to look like until probably closer to mid-year. So then that's usually when we end up coming back and finding whether we require supplementary funding.

**Ms. Rancourt:** — Does the ministry have a plan to deal with the floating debris that still remains in the Qu'Appelle Valley river chain following the 2011 and 2014 flooding?

**Hon. Ms. Harpauer:** — You probably need to ask that in Environment.

**Ms. Rancourt:** — Is the ministry updating its general claim guidelines?

**Mr. Hilsenteger:** — Yes, we are. We have been going through that. We're a little bit behind schedule this year but we're hoping to have them done by the end of this month.

**Ms. Rancourt:** — And will the ministry be updating its maximum claim payouts on residential claims?

**Mr. Hilsenteger:** — There's no . . .

**Hon. Ms. Harpauer:** — There has been no discussion on doing that at this point in time.

**Ms. Rancourt:** — Is the ministry . . . Just a second. I lost my . . . Are there any funds in this budget to continue to help with the slumping land around the Regina Beach and other affected areas?

**Mr. Hilsenteger:** — There's nothing specifically in there. PDAP can assist communities when there's slumping that is caused by, like directly by an event. And so we have helped

communities in the past like Regina Beach and some of the other ones in the Qu'Appelle Valley that have been affected, but we have nothing specifically in there beyond what would happen as a result of the disaster event. So we don't have anything in the budget for that.

**Hon. Ms. Harpauer:** — So yes. Just to expand further, so if it's just slumping and it wasn't from a catastrophic rain that they could say, okay, this happened that wouldn't have happened naturally. That's where PDAP will be there for those homeowners. But if it is natural slumping and you've built your house on the cliff, PDAP does not cover that.

**Ms. Rancourt:** — Okay, so just so I can understand it a little bit myself. So if there's a shift in like the, I think they're called plates — I'm trying to remember back to my geography days in high school — that wouldn't be covered? Or it has to be like an incident?

**Mr. Hilsenteger:** — Right. The minister's correct, absolutely, that it has to be tied to a weather event. So slumping will occur naturally, and I think there's studies going back for years about the Qu'Appelle Valley, and that there's just naturally occurring slumping that occurs, land movement. And where PDAP will provide assistance . . . And this is basically because it's tied to the federal program. The federal government will not provide assistance for naturally occurring events like land slumping. If there's a rain event tied to it that then accelerates that land slumping, then we can provide support.

**Hon. Ms. Harpauer:** — So the federal government defines what is an event, not the provincial government.

**Ms. Rancourt:** — Why do municipalities pay a 10 per cent deductible on their PDAP claim assessment and private individuals only pay a 5 per cent deductible?

**Mr. Hilsenteger:** — Just a correction: municipalities pay point one per cent of their taxable assessment, and then private claims would have a 5 per cent deductible. The reason would be that there was a choice made, a policy decision made back . . . and I'm not sure exactly how far back it was, but it was a decision to tie the deductible to taxable assessment, something that shows the ability of the municipality to fund that amount.

**Ms. Rancourt:** — Is the ministry looking to adjust the municipal deductible in order to relieve some of the financial burdens on these communities?

**Mr. Hilsenteger:** — We are not looking at that right now.

**Ms. Rancourt:** — So flooding issues are starting. Flooding issues are starting, and it's impacting road failures. What kind of support does the province provide in those situations?

**Mr. Hilsenteger:** — Sorry, in road failures?

**Ms. Rancourt:** — Yes.

**Mr. Hilsenteger:** — Well it's the same thing. I mean if it's in a municipal, in an RM, and again it's as a result of some sort of a natural disaster, we would provide assistance for those RMs to fix those roads.

**Hon. Ms. Harpauer:** — It has to be substantive. Like it just can't be natural — the creek was high this year — because that's the municipality's responsibility. So they have to declare a disaster for that municipality before they qualify. They have to actually declare a disaster.

**Ms. Rancourt:** — Okay. So if the municipalities declare it as a state of emergency or something like that, would that qualify them to be able to pursue the provincial disaster assistance program?

**Mr. Hilsenteger:** — So the declaration of emergency isn't a necessity. What the council would do is get together and pass a resolution to seek a designation through PDAP for disaster assistance. And then once that's submitted to us, we review it and we look at whether or not we deem that as being a disaster.

**Ms. Rancourt:** — All right. Okay, I think that's all the questions I have for that. So my next set of questions would be based on public safety so . . .

**Mr. Hilsenteger:** — Now you're going to have to wait.

**Ms. Rancourt:** — Yes. So the emergency management and fire safety decreased \$1 million. What accounts for this decrease?

**Mr. McKay:** — Good evening. This is Duane McKay, emergency management and fire safety with Government Relations. So the \$1 million deduction was money that was placed in the budget last year, designated specifically to address an agreement with Indigenous and Northern Affairs Canada with respect to response to emergency support services to First Nations communities. That agreement has not been signed. We never had access to that money because it was designated specifically for that. So it's been just removed from the budget. Its had no negative impact on our current programming.

**Ms. Rancourt:** — So what kind of impact will that have?

**Mr. McKay:** — It doesn't have any impact at all on any programming that we're currently running. And specifically with respect to First Nations communities, we continue to respond at their request under an LOU [letter of understanding] with INAC [Indigenous and Northern Affairs Canada] that continues to refund to the province any costs associated with those. And the agreement, it is in the interests of the province to have a strong First Nations contingent within that agreement, and so we have worked closely with INAC to ensure that First Nations are consulted. And when that has completed, then certainly we'd be interested in re-entering into the discussions around that agreement.

**Ms. Rancourt:** — Has there been any cuts to the public education programs regarding fire prevention?

**Mr. McKay:** — No, we were very well looked after in the budget this year. There has been no cuts other than what I just spoke about. And we continue to work very closely with our stakeholders. There's two fire associations in the province with the Saskatchewan Association of Fire Chiefs and the Saskatchewan Volunteer Fire Fighters Association, and we work closely with them to ensure that programming — public education in this particular case related to your question — is

shared and supported in whichever way possible.

So typically we will have a fire-related Fire Prevention Week in October. And we're preparing now with our associations, but also nationally to ensure that we have access to high-quality public education materials for the fire service.

**Ms. Rancourt:** — Is there anywhere in particular that you're finding good resources from? You said you're looking nationally.

**Mr. McKay:** — Yes, certainly. Typically the public education material comes out of the National Fire Protection Association, which is a US [United States]-based organization, but it is international in its scope with respect to public education. And so we work with them closely to ensure that the material is here.

There are associations across the country that look at Canadianizing that, translating it into French obviously for our bilingual obligations, and then any other materials that we need. For 911, for instance, we developed that based on APCO, which is Association of Public-Safety Communications Officials, and NENA, which is the National Emergency Number Association, to ensure that we've got consistent national and international communications and public education material.

Specifically for Saskatchewan in that regard, we translate into many languages, including Dene and Cree. And I will say that when we were in La Loche, we went into sort of the public foyer of the community centre, and the only Dene material on the wall was our flyers. So we're very, very happy to know that that material is being used.

**Ms. Rancourt:** — Yes, that's great to hear that that's being really diversified, so yes. Can you tell me about the role of the new emergency services officer in La Ronge?

**Mr. McKay:** — Certainly. So at the end of 2015, after we, you know, went through the fire season, we had kind of regrouped. We had a look at, you know, our resources. We already had one ESO that — emergency services officer, sorry — that was assigned to work. He's a First Nations individual, Duane Hiebert. He travels in the North quite a bit, but he is based in Prince Albert.

And we had Jack Lee who originally lived in La Ronge, and he approached us and said, you know what? It might be a really good opportunity for us to have a higher presence. And he was quite interested in moving back to La Ronge, so we opened an office in the Government Relations building. We set him up there, and that provides a couple of things for us — obviously presence in the North, so a faster ability to respond to both First Nations and northern communities, but also gives us a flag there and a networking capability with other government officials. So it allows us to build relationships locally and throughout government as well.

[21:30]

**Ms. Rancourt:** — I had the opportunity yesterday to discuss some issues with regards to wildfire management in the Environment committee. And so I'm trying, in my mind, to understand how Environment has a role with fire management



and Government Relations has a role in fire management. Can you explain to me what determines the fire management responsibilities in the Government Relations, and then Environment?

**Mr. McKay:** — Certainly. First of all, I want to point out that even though there are two fire groups in the province, we work very closely with them. And I'll explain, and you'll understand as I explain this a little bit. But in terms of our role in government with respect to fire response, emergency management response, whatever it is, we have a very strong central coordination of that. So whatever occurs — whether it's a natural disaster or a fire situation as we've seen in the past, the oil spill in the North Saskatchewan River — it is all centrally coordinated, and so government moves as a single entity.

It has taken several years to get that in place, but it operates very much so for any type of response, so we don't have a disparate response to these organizations. Everything is very collected. So I say that because, as I said before, even though there's two agencies, when it comes to response we operate as one.

Now specifically to the question that you've asked. Wildfire management looks after forest fires, so anything related to the natural vegetation in the North above the municipal line related to any threats, commercial timber operations, that falls within their mandate. And of course they do have some mandate under their legislation to look after other provincial lands. So that might be pasture lands; it might be other provincially owned Crown lands. And they can take whatever action necessary to fight those fires.

Now in our particular world, we look after the municipal and local structural fire protection, so for instance if we have in . . . We've seen in 2015 where a large number of forest fires, the coordination of the actual firefighting on the forest belongs to the wildfire management group. And then the protection of the infrastructure, the coordination of the overall operation, falls to Government Relations. So we look after the local governments, ensuring that they're set up, their operation centres and so on. We help support operations related to protecting buildings, supporting the local fire services, and all the related issues around the structural part of the infrastructure within the municipality or First Nation upon request.

**Ms. Rancourt:** — And what was your role with the oil spill last summer?

**Mr. McKay:** — So sort of the theme of some of the discussion, even in some of the related topics we've talked about tonight, all emergencies belong to municipalities. They are the local authority having jurisdiction, and under the Act it is their responsibility to set up an operations centre, look after this. The provincial responsibility comes in when they have reached their capability. In other words, you know, technically, the definition of a disaster is when things are beyond your control. And so we have established . . . I think it was starting 2010. In 2011 it was a major ramp-up.

The province has an emergency response capability, recognizing that there is a lot of municipalities, and some of the capabilities

— beyond sort of the normal fires and responses that they might have — might quickly overwhelm them. So in that, we have a large amount of . . . a cache of equipment that could include flood material, pumps, hoses, generators, and so on. So we can support municipalities when they become overwhelmed.

In this particular case, we coordinated the provincial support system for all of the related municipalities and First Nations as required along the North Saskatchewan River. Primarily, obviously the city of North Battleford and the city of Prince Albert were impacted significantly. We put people into their operation centre so that we could have a strong coordination. When they required something and they couldn't source that, we would go source that for themselves. And then in the event that they required some emergency response capability for a specific mission that they had, or requirement, then we would put our rapid response teams in there to support those operations.

Just as an example, early in the event, we had some contamination or worry about contamination within the system water. Prince Albert for instance shut down their water treatment plant so they wouldn't contaminate the infrastructure, and they had a large rain pond that they collected water in. And it was our teams that went in to set up the pumps, take that down into . . . get it into their water treatment plant. So for two or three days — my memory isn't exactly accurate — for a couple of days they ran all of this water which we supplied and pumps with the assistance of Highways, who had large hoses and so on, to pump that water into the water treatment plant so they could extend the volume or the time that they had water.

Once that was completed, and obviously they set up some major pipelines, we supplied radio systems to the contractors that set those up. We participated in and designed and built the dam for the Little Red River to ensure that there was a pool of water that they could pump into there as well. We did not have to do the pumping operations. That was all contracted, not by the province, but by the city. And then supported them in any other operation that they required. So it was really about supporting them and then coordinating the provincial response.

So as I'd mentioned before, we have pumps but they're kind of used for flooding operations, you know, dewatering areas. These required big pumps, so we just went to Highways, picked up pumps . . . [inaudible] . . . hose; we helped set them up. And then when the contractors went in, obviously we tore all that down and waited for whatever it was that was necessary for us to do.

**Ms. Rancourt:** — Well thank you for everything that you guys have done. Like I know, as a resident of the community, that everybody worked really hard to ensure that we had good, fresh, clean water. And it was amazing what everybody did in that emergency situation, so we really, truly appreciate that.

**Mr. McKay:** — I would say that most . . . And thank you for that. We have a lot of really dedicated staff right across government to do that. But I would say the city of Prince Albert and North Battleford did an amazing job of quickly bringing to bear all of their resources, coming up with the plan, executing that plan in a very competent way. And of course that makes everybody look good. But there was a lot of sleepless nights

I'm sure for some of the local leaders, but it was as good an operation as I've ever seen.

**Ms. Rancourt:** — Nobody in Prince Albert thought oil would be coming our way. And we didn't hit it the way we would like to, but . . .

But it was our understanding that Husky Oil said that they were going to compensate all the expenses. So any of the staff that were involved with this, did you guys receive any compensation from them?

**Mr. McKay:** — Yes, so I think Environment is rolling up sort of the overall picture, but my understanding is that our costs associated with that have been included in that, and of course they're working out the numbers in terms of what that total cost is. But my understanding is that they're making those payments.

**Ms. Rancourt:** — Okay. Has there been any cuts to the public education programs regarding the 911 services?

**Mr. McKay:** — No, not at all. 911 obviously is a core service, and it is the way that the public enters into the public safety world. In fact we have just moved our 911 system into a new facility. We've increased the technology there. And with that obviously, you know, we've reached out to the deaf and hard of hearing. We've put in new technology that allows them to text from their phone anywhere that they happen to be for those 911 services. So there's been no cuts to 911 in any way — in fact, significant enhancements.

**Ms. Rancourt:** — I believe last year the text 911 was announced. How is this program going?

**Mr. McKay:** — It's going very well. Now we take for granted that as we in a very mobile society can see an accident, we'll pick up our phone, immediately dial in. That wasn't necessarily available to deaf and hard of hearing. They had technology that would be basically like a typewriter at home and they could pick up their receiver and place it in there and type a message to 911. It would dial, and we would have similar equipment in the centre that would answer them so we could talk back and forth in a teletype environment. Obviously not a mobile app.

And since the new technology and obviously the mandates from CRTC [Canadian Radio-television and Telecommunications Commission] to require telecommunications companies to provide that level of service, now anybody with a smartphone, deaf or hard of hearing, can do the same thing that all of us take for granted and that is if they need help anywhere that they are and they have a signal on their phone, they can immediately text to 911 and it comes up on our computers. We can immediately type back just like you would an email or a text message and communicate with them the same as everybody else. And so has been obviously embraced by that community and is going very well.

**Ms. Rancourt:** — Has the service been used . . . like how often has the service been used?

**Mr. McKay:** — You know, I don't know whether it's used often or not. I don't have those numbers. But in 911 it's — and probably a lot to do with all of public safety — it's about

having the infrastructure in place in case it is used. And so if it is needed, then certainly it is available. We've done a lot of testing to ensure . . . we were doing a lot of testing for about three months before we turned it on. Obviously we cannot have a failure in 911. But I don't have the number of anybody who has actually used it for a real emergency since the testing.

**Hon. Ms. Harpauer:** — How many people have registered for it?

**Mr. McKay:** — Okay, Minister, you're not supposed to ask me that kind of tough question.

**Hon. Ms. Harpauer:** — I was wondering if you do know.

**Mr. McKay:** — We do know. I just . . .

**Hon. Ms. Harpauer:** — You don't have it here. Okay.

**Mr. McKay:** — I'm just not familiar with that number. It's obviously not a large number of folks, but it is . . . Anybody that requires that service needs to just contact the telco that they're getting their service from and then they'll be registered and then they're able to access the service. It is not available for the general public. We don't want to receive texts from the general public. It's always better if you can communicate voice to voice. But in this particular case, there is a number of folks. And we can certainly get that for you, Minister. Thank you.

**Ms. Rancourt:** — And how are people aware of this program existing? What kind of advertising did you do to let people know about the program?

**Mr. McKay:** — So certainly we did on the back end of this. We did a lot of work with that community to ensure that we were meeting their needs and looking at, you know, how this was going to operate. We did some training with them as well. And then certainly when we announced it, it was that core group that we were speaking to, so we had them at our public announcement. We had signers there as well so that that could be broadcast. And we do have videos online as well.

**Ms. Rancourt:** — Oh, it's nice to see that that's available. It's an important program. And obviously we don't want to have to use 911, but to make sure that it's available for everybody, that's really good. So thanks.

The staffing budget was decreased by just over \$600,000. How was that reduced? What's the reason for the reduction?

**Mr. McKay:** — So that is part of the \$1 million. So in the proposed agreement, it contemplated that there would be two parts to that million dollars. Part of that was for four public safety officers that would be dedicated to work directly with First Nations and other First Nations associations and groups. So the staffing complement was reduced by that amount.

And as I said before, when INAC completes its consultations with First Nations communities to ensure that what we're providing is what they need and want, then I'm sure that we can go back and look at funding those positions.

**Ms. Rancourt:** — So how many staff were reduced and what

were the . . .? Like you kind of identified what the positions are but . . .

**Mr. McKay:** — Yes, so the four reductions were for ESO positions, emergency service officers positions, but they were never really in place. They were just allocated within the budget, but we never accessed that money because those would be federally funded through that agreement with INAC which is not even completed. So no staffing reductions.

**Ms. Rancourt:** — And can you outline the staffing in the 911 call centres? I believe there's Regina, Saskatoon, and Prince Albert.

**Mr. McKay:** — Yes, so in both of those areas we have three arrangements to provide 911 service, one in the Prince Albert area, and that is co-run by Government Relations and the city of Prince Albert, and there's approximately . . . And that includes 911 call takers, support services, management teams, and so on. And there's approximately 70 people there. And in each of the contracted areas that we have with the city of Saskatoon and Regina, we contract them to provide services and that includes some support for IT [information technology] because it's just for call-taking there. And there are 10 FTEs in each of those areas.

[21:45]

**Ms. Rancourt:** — I got an opportunity to talk to some of the staff at the SARM convention, and they were there because they were trying to promote having — excuse me for my lack of knowledge of what it is — but having people register their land locations and such because one of the barriers was, if they phone 911, then sometimes they don't really know exactly where they're located. So they're trying to work on developing that system. But again I don't know very much about it, so I was wondering if you could explain a little bit more about that to me.

**Mr. McKay:** — Certainly. Within the 911 system obviously location is paramount. If we don't know where you are, we can't send help. And so in the 911 world, specifically to the rural areas — so people outside of Saskatoon or Regina where location is an issue and we don't have physical addresses — we answer the phone, "911. Where is your emergency?" Not what, but where. That simply allows us to select whether it's coming from Moose Jaw or the RM of Goodhope. We need to know that. But even when we get that, obviously people, when they're dialling 911, these are challenging times for them. They may not know exactly where they are. The technology doesn't exist at times to transmit to us the location of that telephone and so on.

So what we have done, a couple of years ago, is we started working closely with Information Services Corp. and SUMA and SARM to develop a civic addressing registry for all locations within the province. So similar to what you see in Alberta where there is a range road and township coordinate system, we're developing that now as well. And we're very close to using it in the 911 world so that when you call in from a location, your home, you'll have actually a coordinate, a physical address for your driveway which is extremely important primarily for EMS [emergency medical services].

Fire, obviously if it's a fire you might see the smoke so you can get there, and fire typically is locally operated. But for police, RCMP [Royal Canadian Mounted Police] in particular, and for EMS, they're not locally operated, and so you have to get to those locations.

So this coordinate system will allow us to identify where that call is coming from on the access point of that property anywhere in the province. And primarily our gap is rural Saskatchewan but there are many smaller municipalities — towns, villages, hamlets, etc. — that don't have an addressing system, so this would require them to put that into place as well. So the nice thing about it is when you get a call, we'll actually . . . You, as the caller, will be able to tell us where you're at. Obviously technology is changing to give cellphone locations, but we're a little ways away from that. And that's what that system is about.

So it's really a partnership with municipalities to ensure that they're actually going through looking at the data, making sure it's updated; when they open up a subdivision, that they actually assign coordinates to those properties. And of course now within the 911 system, once that's in place, when we pick up that phone, not only will we ask you where, but we'll be able to see that on a map or find that on a map, select the closest response agency, and send them those coordinates so that we don't have people getting lost looking for an emergency.

**Ms. Rancourt:** — It sounds like quite the job to get that done.

**Mr. McKay:** — It is. It has been an extraordinary journey because we have to work with so many people. This has never been done before. And surprisingly this is in our legislation to look at addressing and mapping, so we've undertaken it now for the last several years. And we are getting good coordination from municipalities, but it is that . . . We are dependent on municipalities to continually be vigilant about setting up and assigning those addresses.

**Ms. Rancourt:** — And so how long have you guys been working on this process?

**Mr. McKay:** — It has been under way for about two and a half years.

**Ms. Rancourt:** — And how much more do you have? Like how much of the province have you completed, and how much more do you have left?

**Mr. McKay:** — The entire province has been, south of the municipal district line, has been completed. But within the data, there are several anomalies that we need to go back to municipality to identify what they want to do there.

For instance if your property is on the corner of a quarter section and there are roads running both sides and you have a driveway on both sides of that, one address would be a township road and the other one would be a range road. And so you would have two addresses, and you can't have two addresses. So we go back to the municipality and ask them whether or not they will select which is their primary, which of that resident wants as their primary entrance into the property, and then that has to be put into play.

So we're working now through that data. I would say we're probably in that 90, 91 per cent complete. And obviously the faster we can get that done, the better.

**Ms. Rancourt:** — Well that's great news to hear. So like thanks for all the hard work that you guys have done to do that. So it's hard to provide service to a huge geographic area like Saskatchewan is.

Now getting back to the 911 call centres, that last year there was some discussion about the Prince Albert centre being relocated to a different building. Has that happened?

**Mr. McKay:** — Yes, we've just finished it. We haven't had a grand opening or announcement yet; we're still working on that. But does this constitute the grand opening?

**A Member:** — I think so with that out.

**Mr. McKay:** — So not quite done. Yes, so the centre where we were located was in city hall. And it has, obviously, due to the technology increases and the demand that it has for the amount of fibre optics coming in, trunk lines, radio systems, and so on, we needed to look for a new place.

We've been . . . And this is very unique to Saskatchewan in the way we do business. We have partnered with the federal government to use some of their space at the Prince Albert Satellite Station. So it's located about six miles just outside in a remote area. It's fenced-off property. It's a very beautiful property because it's covered with trees, a limited access which helps us with our general security. And it was designed obviously as a data-downloading station. It is the primary downloading station for all satellite material or our satellite data in Canada. It remotely operates two other, one in the far North and one in Gatineau, and it's sort of the master of those things.

But again by technology shrinking, they have a lot of empty space. And so we've made arrangements to take advantage of the empty space, not having to build a building, increasing our security by being somewhat more remote than where we were. It certainly isn't going to flood in that area. It's on the top of a hill and lots of jack pine sands so, you know, unlikely to see any of the flooding issues, and take advantage of the infrastructure that's there as well, which is, you know, lots of data-transfer capability.

**Ms. Rancourt:** — Some of the people in Prince Albert have been hearing that they might be moving that 911 call centre from Prince Albert into one of the larger urban centres. I'm assuming with the move and all of the work that goes along with it, that that's not necessarily the case. Or could you . . .

**Mr. McKay:** — So you know what? We've talked a lot about technology, and that's important so that we can meet all the needs of the people in Saskatchewan, but the 911 system is not about technology. It's about people. And the quality of people that we have in our 911 system now has been built over the last 20 years, to meet specifically the needs of Saskatchewan. A call coming in from a caller in Saskatoon where everything is gridded and their services are immediately available is quite different than what we see in rural Saskatchewan or small-town Saskatchewan. And part of the reason that the system works so

well is the dedication of those staff that are there, and their ability to be very adaptable for whatever occurs.

Now I'll give you an example. The very first 911 call taken in our rural environment was a semi-load of pigs that were being hauled down Highway 1. It hit a car and rolled over, and they adapted to that very quickly. It's a strange call. But it was on Highway 1, it had to do with livestock, and quickly bringing people together to deal with that. So that would be a bit of a challenge if that was to occur in just a primarily urban environment where people are just looking at police, fire, EMS.

Now the quality of training is centred around rural Saskatchewan. So to move it technically to any other facility or any other community would be easy to do. It's just technology. But the quality of service is really based on the people that are there who have grown up through this system, continue to be very responsive and nimble at all of these types of calls that come in. And there are some, you know, some strange ones. So to move it would probably set the system at risk, so we just haven't considered that.

**Ms. Rancourt:** — And I know a lot of people in Prince Albert are pretty proud to have that centre located there. And like you said, there's over 70 positions, so it's a good facility to have in Prince Albert.

**Mr. McKay:** — Yes, I would say it is. In my estimation, working nationally with 911 folks, it is a unique and an envied system that we have here in Saskatchewan, both in terms of how we operate, how we integrate the systems and so on. You know we talk about 911, but they also dispatch for 365 fire departments. That's extraordinary in terms of the numbers and keeping that straight, as well as all the provincial public safety agencies, conservation, and highway traffic compliance, and anybody that responds. So, you know, and with the new radio system that we've launched here in 2010, everybody can talk together, everybody's coordinated. That does not occur anywhere else in this country on the scale that we're talking here.

**Ms. Rancourt:** — At SARM there was a resolution that requests that 911 conduct a three-way call between themselves, the persons at the scene, and the emergency response personnel. Has this been considered?

**Mr. McKay:** — Yes, it has been looked at. As said before, this is a resolution that has just come to our attention, so we're obviously looking at that. I can say that that would be highly unusual for an emergency service to do that, simply because the number of calls that a call taker will take and providing dispatching services is substantial. Last year alone we took over 340,000 calls.

So the ability to extract the necessary information, the detail, to anticipate what the fire, police, or EMS services might require is a very practised and expert type of skill. So primarily we let the call takers do the call taking and the dispatch because that's what they're expert in. We let the fire services do the fire service, the police do the police service, and EMS, and so on.

Notwithstanding that, there are incidents where the on-scene commander needs to talk to the person making the call, and so

we have that capability to patch them through, to let them speak. But on a regular basis that would not be something that you would see normally anywhere in emergency communications, simply because of skill sets that are required in each of those segments of emergency communications and response.

**Ms. Rancourt:** — Okay. And another thing that was presented at the SARM convention was, has there been any consideration to develop and regulate a province-wide system of fire and rescue services?

**Mr. McKay:** — Specifically the fire service is the responsibility of the municipality. They can have a fire service or they don't have to have a fire service, and rescue is one of those decisions that they'll make as well. Strong coordination amongst municipalities in making those decisions certainly is the benefit to the province.

We do provide a lot of counsel and resources around making those decisions. We ensure that there is no overlaps or gaps. So if somebody wants to make changes to that system and they want to pull back, then we insist that before they're allowed to do that, that for the 911 purposes that somebody says, I'll cover that area. It's not good for us to have a system where nobody responds to those particular areas.

However we do this through influence and guidance as opposed to legal mandate, and we encourage municipalities to work closely with their neighbours to do that. And so far we haven't seen any significant issues where we have seen people pull back and nobody fill in, or people that want to do more and relieve the pressure from others that might be covering a very large or a broad area.

[22:00]

So in terms of that, our goal here is you'll need to support those and to liaise with them and government where possible to make that as seamless as possible. But it is a municipal responsibility to provide those services, and obviously to set the levels of service we don't think that we should be treading in there. This would be a good opportunity for the elected or the electorate to decide, through their elected officials, what levels of service they want and how much they want to pay for those. And we should just stick to supporting, guiding, rather than directing.

**Ms. Rancourt:** — So what current agreement do you have with local fire departments who are providing rescue services on provincial highways?

**Mr. McKay:** — So we don't have an agreement at all in this regard. Those rescue services providing emergency response or rescue services have agreements with SGI [Saskatchewan Government Insurance] who pays or reimburses some of those costs associated with that. And so while we are aware of and support those discussions, we're not directly responsible for this, but we do participate where necessary to assist in developing those protocols.

**Ms. Rancourt:** — Okay. So how often was SaskAlert used last year?

**Mr. McKay:** — I don't have the number off the top of my head, but it would probably be in the neighbourhood of 10 times that it was. And it may be even more than that because we're not aware all the time of all the alerts. We've chosen, in the province of Saskatchewan, to give those capabilities to municipalities. So if a level one alert, which is a broadcast intrusive alert, we're certainly aware of those. Those go through our call centre in Prince Albert to verify before they go live. And of course they'll interrupt the radio broadcasts and so on, so everybody kind of is aware of those.

But municipalities also have the capability of issuing level two alerts, which is anything, there's a criteria for it, but it's anything related to sort of normal operating systems of a public safety nature that affect a community. So that could be a boil water alert, so they would go out primarily to those community members. We would obviously be tracking in an analytical program, but those are really local. And so we don't interfere very much in those other than if somebody has a question on how to do it or when to do it, but we can get that information for you.

**Ms. Rancourt:** — So for my understanding, like a level one alert would be if there was, say a tornado coming through. But a level two would be if there's something that people in the community need to know about but isn't an extreme emergency.

**Mr. McKay:** — Yes, there has to be some level of immediate threat to life and property, and that's a level one alert. And in the online program that they fill out to send an alert, they ask a series of questions. You check off the boxes and they ask you specifically, is there immediate threat to life and property? And they give you a list of things that would be an example of . . . If you check those off, then it lets you go to a level one alert. If you say no to those or leave the boxes empty, then it will not allow you to send a level one alert, and it just automatically defaults to level two.

So I wouldn't say it's foolproof, but certainly municipalities have embraced it. We've trained a large number of them and those that are . . . Of course it's a practised habit, but those that think about it are using it, and it seems to be going very well.

**Ms. Rancourt:** — So municipalities have to sign up to participate in the SaskAlert?

**Mr. McKay:** — Yes, they need to sign up and then we will send an instructor out. And obviously we'd like, you know, a group of people. We've been holding classes for about eight months now, and we are getting pretty good uptake in that. And where there's a gap, where we see somebody that isn't, then we'll reach out to them and say, hey all your neighbours are signing up. Would you like to take advantage of that? And of course the size of the community and the amount of infrastructure they have really kind of determines whether they see real value or whether they'll just contact us to do it for them.

**Ms. Rancourt:** — So do the municipalities have to pay some money towards the system?

**Mr. McKay:** — No, this system was funded out of the 911 fees

that you see on your telephone. It's all part of the integrated model that we have spoken about.

**Ms. Rancourt:** — So do you have an idea of how many communities have signed up for the SaskAlert?

**Mr. McKay:** — I do not, but I can provide that. We keep pretty close tabs on it.

**Ms. Rancourt:** — And like just on a general idea, do you know about how much of the province might be covered under that?

**Mr. McKay:** — We've been active in the eastern side of the province, the southern. And I would say that any community that has experienced a disaster in the last five years has been actively pursuing access to the system. Those that haven't are probably less interested, but obviously they are concerned about their neighbours. So we're getting a pretty good coverage across the province, but primarily in the higher populated areas that have seen disasters, and certainly all the east side of the province. In 2014 I think it was, we had that major rain event. You know, we're getting really strong uptake in those areas.

**Ms. Rancourt:** — And is it mostly bigger centres that are participating in the SaskAlert, or are they some of the smaller communities or RMs?

**Mr. McKay:** — Yes, I would say it's a cross-section of all of those. I think it really relates down again to their past experience and wanting to get as many tools in their tool bag as they can. So I would say, yes there is a pretty good cross-section of municipalities in general to do that. And of course this is open to First Nations as well; they can certainly take the training and do this as well.

**Ms. Rancourt:** — Okay. At the SUMA convention a resolution was presented and passed to advocate to have firefighting equipment designated as PST exempt. Have you considered that?

**Mr. McKay:** — Certainly anything to do with supporting the fire service is a good discussion to have. We have not taken that forward as a resolution or to do anything about. I assume that others within government would be . . . probably that falls into their purview as opposed to ours.

**Hon. Ms. Harpauer:** — So obviously it wasn't part of the discussion in this budget.

**Ms. Rancourt:** — Do you think that might be discussed in future budgets?

**Hon. Ms. Harpauer:** — Everything is discussed in future budgets.

**Ms. Rancourt:** — Another resolution was presented and passed at the SUMA convention, and it was to have section 369 of *The Municipalities Act* amended to allow municipalities to add the cost of unpaid fees related to bylaw enforcement to the tax roll. Has this been considered?

**Hon. Ms. Harpauer:** — So as a previous answer that we had on the resolutions at the SARM convention, they're all

considered and there will be a response to all of them. There is some sensitivities around this particular resolution, I'm being told, because it may pass expenses on to a property tax payer that isn't something that they're responsible for, if I'm correct.

**Mr. Edwards:** — We have another situation that is in legislation where utility costs that are run up by tenants can be passed on to the property tax owner through that process. And we've had some push-back from some folks in the property-owning category because they feel that that's not entirely fair. So one would want to look at the resolution very carefully in each of the different components that they're proposing to see which ones might be linked to property versus which ones aren't appropriate.

**Ms. Rancourt:** — Okay, like . . .

**Mr. Edwards:** — That's basically what we'll be advising SUMA. We'll need to take a look at it from that perspective.

**Ms. Rancourt:** — So when I think about this, like with the cost of the unpaid fees related to bylaw enforcement to the tax roll, I understand, like, if you're renting, say, a house and the tenants were breaking some bylaw agreements within the municipalities, how that wouldn't be necessarily fair for the person who owns the house and paying the property taxes to have that put onto that.

But if the person owns the house and is breaking some bylaws and not paying the fees associated to it, would that be some arrangement or would that be too complicated to try to establish that?

**Mr. Edwards:** — It may very well be complicated beyond the point of what you'd want to try and achieve. But certainly if it's the property owner himself or herself who's breaking the bylaw, that's a bit different situation from a tenant or someone else.

**Ms. Rancourt:** — And I don't know if this one would fall under that same category or not, but . . . You know a lot more than I do about the tax roll. There was also discussion at both SUMA and SARM to add the cost of unpaid building permit fees, development fees, and the Saskatchewan Assessment Management Agency fees, and building inspection fees to the tax roll. Is this being considered?

**Mr. Edwards:** — The same answer, basically. We'd need to look at each one of those because they have different implications. The SAMA fee, for example, is associated with inspections of new properties, so that might be . . . But we'd need to have some discussions.

**Ms. Rancourt:** — And so when you have these discussions, who would be also included with regards to those discussions?

**Mr. Edwards:** — We would engage the various municipal associations. And if there are specific stakeholder groups that would be involved, we'd talk to them as well, so SUMA, SARM, urban and rural municipal administrators, cities, depending on what the situation is.

**Ms. Rancourt:** — Okay, thank you. We are hearing that

villages are getting letters stating that they are supposed to amalgamate into an RM. Can you confirm this?

**Hon. Ms. Harpauer:** — No, I can't. It's not coming from this ministry.

**Ms. Rancourt:** — So according to your knowledge, there's no letters coming from the ministry with regards to this?

**Hon. Ms. Harpauer:** — According to my knowledge. And I have a lot of officials here also saying, that indeed it's not coming from this ministry.

**Ms. Rancourt:** — Is there any discussion of having amalgamations happening within municipalities?

**Hon. Ms. Harpauer:** — There's always discussions and, in some cases actually, like, it's happened. But are we driving it? No.

**Ms. Rancourt:** — Okay. So since this past municipal election, there has been some consideration on . . . Has there been any consideration on any changes to *The Local Government Election Act*?

**Mr. Edwards:** — Okay. That would be us. What we did was, after the election, we initiated a survey of municipalities. We wrote out to all the municipalities and basically asked them about their experiences using the different provisions in the Act.

As you may know, the legislation currently for local government elections was rewritten and revised in 2015, so the 2016 elections were the first year in which that new legislation applied. And there were some provisions that had been added or adjusted and we wanted to know, how did it go?

We also invited any suggestions or comments that they might have about areas that they thought needed to be fine-tuned in either the legislation or the regulations. To date, we've had about 247 municipalities respond to the survey, and they've identified what their use has been of some of the discretionary provisions in the Act. And we have had a number of suggestions offered to us for things that we should be looking at. We've also had some suggestions on potential amendments from within the ministry as well.

[22:15]

The next step that we'll be taking, we're preparing a report summarizing the results of the survey. We will use that to initiate more formal consultations with municipalities that responded, and also with others, and the municipal associations to determine what adjustments we should actually put forward.

The normal process for us has been during each period before municipal elections, we go through a review and consultation cycle to see if there needs to be adjustments. So this is pretty much par for the course.

**Ms. Rancourt:** — Can you highlight some of the changes that would've happened to *The Election Act*?

**Mr. Edwards:** — The biggest thing that we did in the Act was

to combine provisions relating to urban and rural elections. So previously the same Act had had them all in place, but they were separate. When the municipal legislation was rewritten and *The Municipalities Act* was introduced, we simply moved the election provisions from the former rural municipality Act into *The Local Government Election Act*. There hadn't been any steps taken to make them consistent or to consolidate the provisions. There had been some updates, but . . .

So what happened when the Act was rewritten this time was that we brought them all together. It meant that a municipal administrator who is administering for a rural and an urban municipality didn't have to hunt through the Act to find the appropriate provisions. They were all there together. And where they were consistent, where the same provisions made sense for both urban and rural situations, they were basically used as common provisions. There are some differences, which I don't recall off the top of my head, that were retained for rural municipalities where they made sense, but those were a minority. So that was one of the biggest things.

There were also some changes relating to advanced polls, to those updates to voter ID [identification]. There were a few other ones that I don't recall now. But the big change was trying to consolidate it and make it more convenient as a statute for municipal administrators to use.

**Ms. Rancourt:** — So, so far, with some of the responses that you've been getting, what kind of statements or responses have municipalities been saying about *The Election Act*?

**Mr. Edwards:** — You know, I don't have access to the details of that. We're just at this point putting together the report. So when it's available, it will be shared publicly, so it would be available then. From what I understand, there is nothing really major. It's more fine-tuning, wording, things that didn't work quite the way they were supposed to, that sort of thing.

**Ms. Rancourt:** — When do you think that report will be available?

**Mr. Edwards:** — Well I'm hoping within the next couple of months, but we have a couple more hoops to go through, process-wise yet.

**Ms. Rancourt:** — There has been some discussion about needing to require that candidates running for election are in good standing with the municipality in order to be an eligible candidate. Has that been something considered to make changes?

**Hon. Ms. Harpauer:** — That resolution was defeated.

**Ms. Rancourt:** — Pardon?

**Hon. Ms. Harpauer:** — That resolution was defeated.

**Ms. Rancourt:** — So because it was a defeated resolution at a conference, that's not something that your ministry will consider?

**Mr. Edwards:** — It has been considered in the past. There have been discussions with the stakeholders, and basically the view

was that it wasn't an appropriate thing to do. If it had been passed, well we'd look at it again and talk with them further.

**Ms. Rancourt:** — Is there a requirement to have a criminal record check completed in order to be an eligible candidate?

**Hon. Ms. Harpauer:** — No, I don't believe so.

**Ms. Rancourt:** — And is it possible for municipalities to add more criteria for candidates' requirements, above and beyond what *The Election Act* indicates?

**Hon. Ms. Harpauer:** — No, there isn't. And I'm being told by the expert in legislation that they can't have a bylaw either that would make them different.

**Ms. Rancourt:** — I was hearing that some municipalities require that candidates get a criminal record check, and some aren't. But that could be misinformation? Or could that be possible?

**Mr. Edwards:** — It's not something that came up in our survey results, for example, that I'm aware of. It's something I'll want to check on.

**Ms. Rancourt:** — But again, like you can't create a bylaw that indicates . . . So how do you ensure that individuals that have past criminal records, for example fraud-related issues, are unable to become candidates in municipal elections?

**Mr. Edwards:** — We don't. Basically it's up to the public. If there's someone running for office who has committed an offence and served time, the public needs to make a decision as to whether they want him or her as a candidate that they want to vote for and have hold office. That's up to the voters.

**Ms. Rancourt:** — There are times that council members and administrators need information, and municipal advisers are not available. Is it possible to have one municipal adviser to be reachable on a daily basis and with a minimum response time established?

**Mr. Comstock:** — So we have municipal advisers that work in the South and in the North. They are at work Monday to Friday during office hours. Because of the sort of staff they are, I know they often take calls and emails on weekends and evenings as well.

The branch that is responsible for that handled something over 35,000 inquiries and calls last year, and yes, they do have service standards. Ordinarily inquiries from a municipality are responded to within 24 hours, shorter most times. And there probably have been exceptions to the rule where a municipality wasn't able to get a hold of a municipal adviser on a particular day, but my sense is that that would be a rare occasion.

**Ms. Rancourt:** — Okay, the reason why I bring this up is because it was discussed at SARM, and so it made me wonder like what kind of situations would be examples of why people would be contacting municipal advisers.

**Mr. Comstock:** — So the questions from members of the public and from elected officials and from appointed officials or

people that work for municipalities are incredibly varied. They're also somewhat cyclical. So in the run-up to municipal election time, we get lots of questions about preparations for elections and getting ballots printed and all the technical aspects of that. In the run-up to budget and tax notice time, we get lots of questions about that.

We get questions as varied . . . everything from, can you send me a good sample dog bylaw; to, I think you know that there's been some financial issues; how can we address it? We handle calls related to virtually any aspect of municipal operations.

**Ms. Rancourt:** — So these concerns, in your professional opinion, would they necessarily be emergency concerns that would need someone's response immediately?

**Mr. Comstock:** — My sense is that, in the vast majority of them, they would not be emergencies, no. If there was emergencies — for example, if there was danger to property or to life — my colleague Commissioner McKay and his folks would be better positioned to deal with that sort of a thing in any case. My municipal advisers are more on the technical side of dealing with the legislation side and the actual operations of the municipality.

There could be also examples of situations where there was an issue with a water treatment plant or some other sort of municipal infrastructure. And again, officials in Water Security Agency and the Ministry of Environment are well-positioned, better-positioned, and more appropriately positioned than my municipal advisers would be.

**Ms. Rancourt:** — And so do municipalities understand that if there is an emergency that they could contact Mr. McKay's office instead?

**Mr. Comstock:** — I can't guarantee you that all 776 of them would know that. But my sense is the vast majority of them are very well familiar with their colleagues at the provincial level and have many of us on speed dial.

**Ms. Rancourt:** — With just having a municipal election, maybe, you know, just touching base with the different levels of governance is good to give them a heads-up and let them know that that option is available, if it's not possible to have a municipal adviser available like 24-7 or all the time.

**Mr. Comstock:** — That's a good point, actually, and we do take our responsibility to aid in the orientation of new councillors and elected folks quite seriously. There are resources online; we run seminars and workshops. In fact just earlier this week one of my municipal advisers ran a webinar over the course of the noon hour where we had over 140 different municipalities signed on to ask questions about a variety of topics.

And so we're trying to make better use of technology and those sorts of things. It's not possible for us to go all the time to the physical location of folks so we're trying to make better use of technology. But there certainly is time and attention paid to helping folks at both work and are elected at the municipal level to do their jobs effectively.



**Ms. Rancourt:** — That's great to know that there's all these options for people in these roles because I know a few of my friends are in those levels and boy, it's a learning curve to learn all of the rules and regulations. And it's a big responsibility that our municipal leaders have, you know, and I give them a lot of respect for what they're doing and I can't imagine what a learning curve that must be.

So I just have a couple more questions here. And so have you considered to have realtors licensed by the Saskatchewan Real Estate Commission as fully eligible to practise in any Saskatchewan municipality without further taxes?

**Hon. Ms. Harpauer:** — We meet with them on a regular basis but no, we haven't considered it yet.

**Ms. Rancourt:** — Okay. So then you're probably aware of this next question I'm going to ask.

**Hon. Ms. Harpauer:** — We probably met with the same group, right?

**Ms. Rancourt:** — Yes, we probably met with the same group and I told them I'd ask the question. Have you considered to have a provincial registry of houses that have been known to be drug houses?

**Hon. Ms. Harpauer:** — I'm aware of this issue and we've always got the response from the Minister of Justice. To date, I know it's been no, but I can't give you the explanation. So if you have an opportunity to ask him I'm sure he'll explain his concerns with it.

**Ms. Rancourt:** — He has concerns about having a provincial registry?

**Hon. Ms. Harpauer:** — Yes. And I don't know what those concerns are but I know, like you said, I knew what the question was going to be and I know this has been an ask probably biannually whenever we meet with them. And it falls under the business of the Ministry of Justice. And if you have a chance, ask that minister what his concerns are because I can't tell you. I'm not sure.

[22:30]

**Ms. Rancourt:** — All right. So I think that is all the questions that I have, and I know there was quite a few and I appreciate your guys' patience and time. Again I want to thank all the officials for being here tonight and answering the questions that I have. A lot of them were generated from myself, but other people who have approached me, so it's really important questions that people want to know. And so I really appreciate the time that you had in answering those questions and the extensive knowledge that you have. And I also appreciate all the work that you do with your agencies, and again it's a big area to cover, Government Relations, and so we appreciate everything that you do.

I want to thank my colleagues for coming and keeping their heckling to a minimum. And I know these are long nights, but these are really important things to do after a budget. And I want to thank all the staff that are here, and Hansard for being

here and making sure everything is documented, and to the TV folks for making us look good every day. And so again thanks for everybody, and I'll wrap up my discussion.

**The Chair:** — Well thank you, I will imagine the minister would want to make a few closing remarks.

**Hon. Ms. Harpauer:** — So thank you, Mr. Chair. And I too want to thank the officials that are here, and they are just vital to making Saskatchewan the great place that it is in each of the areas that they work. And I want to thank the committee members, and I want to thank Ms. Rancourt. I know I was in her shoes in years gone by where it's hard to keep asking questions for hours on end in one specific area, so I appreciate the work she's doing as well. Thank you.

**The Chair:** — Thank you. I see our time is . . . We asked for four hours so this is . . . I want to also thank Hansard, and the minister and officials, Ms. Rancourt, and my committee members. It's been a long four hours but I think it was very productive. So with that I will ask a member to move adjournment of this committee. Ms. Heppner has so moved adjournment. All those in favour of adjourning?

**Some Hon. Members:** — Agreed.

**The Chair:** — Agreed. This meeting now stands adjourned until the call of the Chair. Thank you.

[The committee adjourned at 22:32.]