



STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND JUSTICE

Hansard Verbatim Report

No. 37 — April 15, 2019



Legislative Assembly of Saskatchewan

Twenty-Eighth Legislature

**STANDING COMMITTEE ON INTERGOVERNMENTAL
AFFAIRS AND JUSTICE**

Mr. Fred Bradshaw, Chair
Carrot River Valley

Mr. Buckley Belanger, Deputy Chair
Athabasca

Mr. Ken Francis
Kindersley

Mr. Hugh Nerlien
Kelvington-Wadena

Mr. Eric Olauson
Saskatoon University

Ms. Laura Ross
Regina Rochdale

Mr. Corey Tochor
Saskatoon Eastview

[The committee met at 18:30.]

The Chair: — Well good evening and welcome to Intergovernmental Affairs and Justice. I am Fred Bradshaw, the Chair. Substituting for Buckley Belanger, we have Warren McCall. We also have here Ken Francis, Hugh Nerlien, Eric Olauson, Laura Ross, Corey Tochor, and Doyle Vermette.

**General Revenue Fund
Government Relations
Vote 30**

Subvote (GR01)

The Chair: — This evening the committee will begin its consideration of estimates and supplementary estimates — no. 2 for the Ministry of Government Relations. We will now begin with vote 30, Government Relations, central management and services, subvote (GR01). Minister Kaeding, would you please introduce your officials and make your opening comments. And also I'd like to remind the officials to please state your name for *Hansard* when you speak. Thank you.

Hon. Mr. Kaeding: — Well thank you, Mr. Chair. Good evening. It's my pleasure to speak to the spending priorities outlined in the Ministry of Government Relations' budget for 2019-20. I'm joined tonight by a number of officials. You see the Calgary Flames have an awesome team in front of them; I have an awesome team behind me. And I'd like to just . . . Bear with me as I introduce everyone here tonight.

So I've got Greg Miller, our deputy minister; Duane McKay, our assistant deputy minister, public safety and fire commissioner; Giselle Marcotte, assistant deputy minister, First Nations, Métis and Northern Affairs; Laurier Donais, our assistant deputy minister of corporate services, disaster recovery; Ralph Leibel, our acting assistant deputy minister of municipal relations; Elissa Aitken, executive director, policy and program services; Jay Teneycke, our executive director of communications; Ryan Cossitt, executive director, emergency management and fire safety; Kevin Kehler, research analyst for building standards and licensing; Russell Mirasty, executive director, Indigenous and northern relations; Scott Boyes, director of northern engagement; Alethea Foster, director of First Nations and Métis relations; Karen Bolton, director of Aboriginal consultation; Michelle Maurer, acting director of land claims; Grant Hilsenteger, executive director, provincial disaster assistance program; Jeff Markewich, executive director of corporate services; Heather Evans, director of financial planning; Sheldon Green, executive director, advisory services and municipal relations; John Billington, executive director of municipal infrastructure and finance; Brad Henry, executive director, northern municipal services; Jenna Schroeder, director of community planning; Norm Magnin, director of property assessment and taxation; and Iryna Soloduk, our executive assistant to the deputy minister. And we have Grant McLellan, my chief of staff.

So those I consider the A-team that we've got with us tonight.

A Member: — That's certainly all of them, I hope.

Hon. Mr. Kaeding: — No, this is just the tip of the iceberg, but

the room was getting warm.

I'd like to begin by providing a few general comments on the ministry's 2019-20 budget, and then my officials and I will be happy to answer any questions committee members may have. The 2019-20 budget reflects many efforts put forward in the past year. First, we have reviewed the principles and the delivery of the municipal revenue-sharing program. We now have a new formula that works for both the province and our municipalities, and we are forging a new way to work together to achieve progress.

We are also gearing up for the Investing in Canada infrastructure plan, and we're going to do things a little differently. We're introducing an expression of interest to the process so our infrastructure investments better serve our communities.

We're also supporting the expansion of the Saskatchewan Public Safety Agency. The transfer of wildfire management and emergency management functions to this agency will lead to greater coordination, a clear reporting structure, and a seamless provincial response to emergency incidents. This budget includes a \$500,000 grant to the agency to begin to get an administrative structure in place.

Another recent achievement worth noting was this government's apology to those impacted by the Sixties Scoop. We did our best to do this in a respectful way, to acknowledge government's responsibility, and to strengthen our relationship with First Nations and Métis people by hearing their stories and learning from them.

Now for the numbers. Government Relations' 2019-20 expense budget is \$617 million, an increase of 35.2 million or 6 per cent over last year. Highlights in this budget will include 251.6 million for the municipal revenue-sharing program. This is an increase of 10.5 million and represents revenue from three-quarters of 1 point of PST [provincial sales tax] in 2017-18. 107.3 million for the new Building Canada Fund is an increase of 24.1 million and it reflects estimated funding requirements for this year. \$72.4 million for gaming payments is a decrease of \$1.6 million. It reflects an anticipated decrease in casino revenues. \$64.6 million for the gas tax program is an increase of \$1 million and is 100 per cent flow-through funding from the federal government through my ministry. \$50 million in new funding to begin the Investing in Canada infrastructure program. 13.4 million for grants in lieu of property taxes is an increase of \$100,000 to reflect estimated funding requirements.

11.4 million for the Saskatchewan Assessment Management Agency is an increase of \$850,000 to increase the volume of property re-inspections. \$6.5 million to wind down the Clean Water and Wastewater Fund and Public Transit Infrastructure Fund is a decrease of \$37 million.

Last but certainly not least, we increased the capital portion of the transit assistance for people with disabilities program by 250,000. This program now provides \$3.8 million to municipalities in support of accessible and safe public transportation for citizens experiencing disability.

Now I would like to describe our budget by examining the

expense type. Over 94 per cent of our budget reflects third party transfer payments. The majority, 82.7 per cent, is provided to municipalities and municipal stakeholders primarily through revenue-sharing and infrastructure grants, while 11.9 per cent is provided to First Nations and Métis organizations, primarily through gaming agreements.

This leaves 5.4 per cent of our ministry's total budget to deliver ministry programs. This includes community planning and support; ongoing programs, services, and reconciliation efforts in relation to our First Nations, Métis, and northern portfolios; emergency management and fire safety responsibilities; building standards; gas and electrical licensing; and the provincial disaster assistance program.

This concludes my overview of the Ministry of Government Relations' 2019-20 budget. It is a budget that delivers on our commitments to the communities and the people of Saskatchewan. Thank you.

The Chair: — Well thank you, Minister. Are there any questions? Mr. McCall.

Mr. McCall: — Thank you very much, Mr. Chair, Mr. Minister, officials. Welcome this evening for the consideration of these estimates before us.

Just a word of explanation off the top in terms of the division of labour on the opposition side of the ball. We'll have about an hour and a half focused on First Nations and Métis Relations, Northern Affairs. Northern Affairs certainly will be led by our Northern Affairs critic, Mr. Vermette, and then both of us on First Nations and Métis Relations. And then I think we'll have a brief intermission, at which time the critic for Government Relations, the member for Regina Rosemont will join us, and I'm sure things will go to a next level.

But with that, Mr. Chair, I'd turn things over to my colleague, the member for Cumberland, to get things under way with some questions squarely on Northern Affairs.

The Chair: — Yes, well thank you. Mr. Vermette.

Mr. Vermette: — Thank you, Mr. Chair, to the minister, your officials.

I guess we've had a few talks. You know, you've asked me some of my concerns when it comes to northern affairs. And I've said to you, and I've made that very strong, I think leadership from the North that I represent has made it very clear that we'd like to see a stand-alone minister and a Ministry of Northern Affairs that strictly deals with northern issues because unfortunately you have so many other files to deal with that truly northerners don't feel that they're getting the attention of a minister and the officials that one could get, should they be a stand-alone. So before I start out I just want to again, you know, express that to you again one more time, as I have before. And I know, you know, I'll just leave that with you.

Having said that, we're always asking, and we're looking at the government buildings, and anytime we have staff leaving or people moving away, relocating to the bigger centres, and we understand some of that has happened over time, we keep asking,

the last one out of the building — I mean, that's our jokes, and it's unfortunate we don't see it as a joke, but that's how some people feel — the last one out, you know, turn the lights out.

Now if you can explain to me, in your role as a minister, how do you advocate? And I'm curious to see the dollars that you allocate. How effective do you think your staff and yourself are when it comes to dealing with the other ministries to work on behalf of northern people? I'd just like to give you an opportunity to talk about, and see maybe there are some good things happening, and you're going to really excite us here because we haven't been excited about that for quite some time. So I'll just leave it there, if you would, Mr. Minister.

Hon. Mr. Kaeding: — Well, certainly the North, you know, makes up over 50 per cent of our land mass. So we certainly understand . . . And certainly contains an awful lot of our resources that have been extremely valuable to the province as it's developed the resource sector. You know, what we've seen with the North over certainly last couple of years, when it comes to manpower that we've had in the North, our full-time equivalent numbers have stayed the same. So I believe that's been a commitment to the North in providing consistent service to our northern communities.

La Ronge is certainly our base that we work a lot of our services out of. And you'll have seen manpower numbers have stayed very stable around there as well. You know, we have officials that are there to respond to northern issues based out of La Ronge which, I believe, has kind of been a trading centre for the North.

You know, and as well the Minister Responsible for First Nations, Métis and Northern Affairs really acts more as a liaison service to ensure that they've connected and put other ministers and ministries in front of stakeholders that are from the North. You know when I look at the number of meetings that we have facilitated and been able to get northerners in front of various ministers, ministries and, you know, been able to get their points of view across and certainly what some of their concerns are, that's kind of been one of our responsibilities, is to make sure that we can facilitate those discussions. And I believe we've got a very good track record of contacts and the ability to get people in front of people that, you know, they hope can affect change or make a difference in their communities.

I certainly take the responsibility of serving the North with a lot of responsibility. And one of the first acts I was able to do was to tour the North with another minister early in the summer given the opportunity, and I believe we were able to connect with 13 different northern communities, which I believe is a good start. And we're able to connect with their councils or with First Nations councils or with the community councils, and get an understanding of what their emergent issues were and what some of the concerns were that they had with their communities, whether it was talking about infrastructure or it was talking about social issues or education issues, economic development, issues they had with environment, or just transportation issues.

And we looked at each one of those and treated them with, you know, with the response that they needed and I believe were able to get them in front of the people that were responsible for providing answers for them. So certainly take that responsibility very seriously and have been, I believe, doing what we've been

tasked to do — and that's to provide services for the North.

You know, what you'll see is, as we get into the discussions later on in the evening, certainly talking about municipal revenue sharing and making sure that the North was certainly looked after as best we could through an increase in municipal revenue sharing going towards them. You know, we get into the amount of money that's been spent on infrastructure into our northern communities and certainly you'll have opportunities with the other ministers to ask about some of the response and services and some of the budgetary items that they've been able to provide for northern residents as well.

And so I believe that we certainly are on the right path to being able to serve our residents of the North. Is there more that we can do? Absolutely, and I'm sure we'll have opportunities to discuss some of those in further discussions here.

Mr. Vermette: — Well I agree with you when you say, absolutely there's more to be done for northern Saskatchewan. I think about the trappers, and they just had their annual convention and I was there for that. And you know, you had some of your, you know, your ministry staff that were there and that's good to see. I know the trappers are struggling; I know they constantly ask different ministries to work with them. And I don't know what contact you've had with your officials from those meetings, but I do know trappers want to be consulted. First Nations, Métis people, trappers want to be consulted. And I'll be honest with you, they're not feeling they're getting consulted the way they should be.

[18:45]

You know, it's their traditional territory. They have inherent rights. They have treaty rights to hunt, fish, gather. And to see changes without consulting them. And I'm going to talk about even ministries going out and actually sending out, Environment sending to them . . . And this is something maybe you and your officials could work on, that you need to consult with individuals when they're going to look at raising the lease rates that they've gone to.

We're getting calls today again. We are getting more and more calls and people coming out — and you'll see it in the media — that are shocked, literally shocked, when they see their lease fees going up 4 and 500 per cent increase. And I mean, there is again another area where you as a minister, working with the Ministry of Environment and Minister Duncan, I'd encourage you to do that because those are the challenge northern people are feeling.

We've also requested with Environment, on behalf of the trappers with a petition asking that anyone that's 65 years of age and a trapper would not have to charge a fee, just like we do for seniors that's 65 who fish. And you know, you always get told, oh yes, we'll look into it. And don't get me wrong, I think ministers when I have a sidebar are probably, you know, they are going to look into it, or it's questions . . . and they do, and they get busy. I understand. But those are some of the files. And maybe we need to make sure that yourself and your officials are aware of some of the issues that we're bringing forward because at the end of the day, it's to make sure that life is better for northern people.

We have a lot of struggles. They're very proud people. They want to be a part of the economy. They know that it's good to have jobs. So those are some of the challenges that are facing many of our northern people. I just look at the different ministries and you've talked about, you know, your . . . you work with them and you come up and you have meetings. And that's good. Don't get me wrong. I thank you for that. I don't mind giving credit and, you know, as your officials go out and do that.

But to have meetings and to listen, that's great. But there needs to be action at the end. And that's unfortunately what people are frustrated with is they have the meetings, and where's the action? So how are we ensuring that the ministries are moving after you know, you, yourself, or your officials meet with them and say, these are the issues we're hearing in northern Saskatchewan. My ministry is responsible for working on behalf of First Nations, Métis, and northern people. Here's some of the challenges they're facing.

How do we then, and how do individual leadership lobby you to have your officials and your ministry work on their behalf? Because sometimes they're frustrated because it seems like communication is happening, but is it government's decision that there's just no will to change it? I mean, let's be honest. Let's be honest with people. If there's not a chance of it happening, it would be nice to see how that would work.

So I'll let you make a few comments and then I can come back because, I mean, you mentioned about . . . And I know you were up north and you did fly in to some of the communities, and I said that back when I heard that. And unfortunately some of those meetings were so quick. They were at an airstrip and you last-minute invited some of the leadership to show up, and some of them could not make it. They need a little bit of notice and time.

And I know you were busy as you're going along, but unfortunately sometimes they just want to have that respect where you take the time to give them notification and, you know, have those meaningful meetings so they can tell you some of the challenges they're feeling. So I've heard that as well.

So I thank you on that side for going, but unfortunately there has to be time given to the leadership and the way that they're getting the notice out of respect for them to share the frustrations and the challenges that are faced in their communities.

Hon. Mr. Kaeding: — All right. So just to review some of the discussions we had around permanent staff that we've got in the North, so one of the key areas of responsibilities we've got with our First Nations side of Government Relations is northern engagement. So we've got nine permanent positions, six of which are in La Ronge and three of which are located here in Regina. Three of the nine are First Nations or Métis individuals, so this is the same number of staff that we had as last year.

The northern municipal services branch — so they're kind of looking after the municipal services area of the North — is 13 permanent positions, and that's also unchanged from last year. Eleven are located in La Ronge, one in Buffalo Narrows, and then one in Regina.

And then we have emergency management and fire safety has

one employee designated to that in the North, and they're based out of our La Ronge office. We also have two northern municipal services staff that are located in Buffalo Narrows and Regina, and they weren't included on our original table. So what we've seen in the last . . . Actually we were at 18 staff in 2013, 17 in 2014, '15, '16; 18 staff from 2017, '18, and '19. So we haven't had any change in positions since 2017. So I think that's showing our consistency in servicing the North in that area.

We've got three key people, and I'll probably get a couple of them to speak a little bit more detail on some of the . . . on their parts of the engagement to the North. So we've got Brad Henry dealing with our municipal sector. Scott's dealing with our northern engagement liaison, and Russ Mirasty is our executive director of northern engagement. And I'll probably get Scott for sure to talk about some of the programs and initiatives that he's been working with up there.

Northern engagement and the trips we were in last year, certainly again trying to be good stewards of the government's money, we went up with another minister; and certainly dealing with the schedule that they had. But certainly planning another trip again this summer, that's our intention, and meeting with a number of other communities.

And again a couple months into the job now that I, you know, understand what we need very much taking into account what you had said, that we will give our folks a bit of a heads up and be able to have them, you know, be better planned for our visits up there.

At the same time, we have been up a number of occasions now into Ile-a-la-Crosse, into La Loche, and had some engagement sessions. I know we talked economic development in Ile-a-la-Crosse and dealt with . . . I think I was up with the Minister of Rural and Remote Health on that trip and spent some time there. I think we were in Pinehouse and La Ronge as well. So again trying to get to each of those communities to engage more and have some more fulsome discussions, and certainly felt that we had a good engagement in each of those locations.

Just in relating to the Trappers Association, we'll get into some of the details with that and I believe it was even under your initiative that back in 2014 you had reached out to GR [Government Relations] and talked about kind of identifying some of the Northern Saskatchewan Trappers Association, some key elements there that needed to be focused on, kind of some key industry objectives.

And I know certainly our ministry has taken that to heart and has worked on kind of 14 key points that they have worked through. A couple of the initiatives have been completed. Just a couple would be, reviewing with trappers a provincial policy on forestry buffer zones around trapper cabins. That one they feel completed. Clarifying provincial policy on the use of Conibear traps versus leghold traps or modified leghold traps, they made some presentations at a conference in 2016 and believe they've made some differences on how that's being initiated.

Well one much-improved initiative is just improving communications, like you had asked for, among the Northern Saskatchewan Trappers Association, among their executives, their members, and their governance. And I know our northern

engagement branch has had a couple of meetings now just with the executive board and was able to update them and work back and forth on some varying issues that they've got in front of them. But you know, a number of the events are still ongoing. So I think that's a good start as to the discussions that they've had with the Northern Trappers Association and, you know, would expect that they still have some time before they reach completion, but at least that engagement is happening now.

The one thing that I know, and I know you've talked about, senior fees with trappers over the age of 65, I know we've had those discussions. So I wouldn't say that's over yet, but certainly those discussions are ongoing.

But one thing that I know that we really believe in is working with youth, and certainly around young trappers as well. So in the last two years, the GR has supported a youth trapper day with a grant of \$3,000. And that was provided in a conference that they had, I believe in 2018, and they're doing the same in April of 2019 as well.

So the other thing that they have undertaken is certifying. Eight trapper trainers were certified in the northern administrative district in 2018 and '19. So that was made possible through some coordinated funding through Environment as well as the P.A. [Prince Albert] Grand Council and through GR. So these trainers are used to help with . . . offer trapper education programs to youth that focus on gun safety regulations as well as humane trapping practices. So I think that's a great initiative when we can start involving our youth and just deal with getting them up to modern standards and getting them more engaged in the industry. So I think that's a great initiative.

And you know, as well Brad Henry I know has spent an awful lot of time engaging with our municipalities in the North and the various communities. And certainly Brad has been instrumental in bringing issues to our ministry from capacity to infrastructure needs to various things. So I think that Brad has been a tremendous liaison for us in the North, and again we continue to have dialogues and sessions every opportunity we get with the New North executive and opportunities that we have to engage with them.

But I'll maybe get Scott, if he's able, to just talk about some of the northern engagement initiatives that has been undertaken kind of under his watch. So, Scott.

Mr. Boyes: — Thank you. Good evening everybody. For the record, I'm Scott Boyes, director of northern engagement based in La Ronge.

And if you don't mind, sir, I'm going to begin with, I think the first part of your question was about our engagement with the trappers, the Northern Saskatchewan Trappers Association. Yes, I understand that the trappers are always, you know, wanting to connect with government and to know that they have our attention.

And I would like to think that we have a good working relationship with the trappers' board. As you know, they now have an acting president, Mr. Jarret Nelson, and he was in our office just a few weeks ago in advance of the annual meeting. I'm pleased to say that we once again provided some financial

support to the trappers for a youth day. That's something that we believe in, in terms of targeting youth for our particular support, you know, and the trappers are very grateful for that, I think.

[19:00]

Aside from the trappers, we do engage with northern partners and our partner ministries on a number of other initiatives. And a lot of these do relate back to what our Minister said, in particular, paying attention to the needs and aspirations of northern youth. A very good example of this would be the Embracing Life initiative. Embracing Life is a working group of 19 different agencies. These are government agencies, non-government organizations, you know, ministries. They cross federal-provincial, First Nation, Métis, you know, tribal council — all of those lines.

So it's a very diverse, broad, well-represented working group, and these are officials who are working together to come up with solutions, community-based solutions to address community wellness and, in particular, youth suicide. This work has been ongoing for a few years now. The members are very intent on making sure that we collaborate, that we know what each other is doing, that we try to leverage the services that each member offers and try to do what's best for the youth.

Very recently we supported the hosting of a youth conference, an Embracing Life youth conference in Prince Albert. This conference was actually organized by a steering committee of young people from the North. Our role and the role of several other Embracing Life Committee members was to support them in that endeavour.

The conference drew 180, 200 young people from across the North for a couple of days of motivational speakers and addressing themes of hope, perseverance, and looking forward and being leaders in their own community. These were themes that we thought were very good, and the youth themselves organized the conference around those themes.

It was, I think, very well received. They ended on a very high note. You know, the youth had picked a great keynote speaker to finish it off for them. So that's one example, a very recent example, of how we've worked with our partners and in particular focused on the needs and aspirations of young people.

Northern engagement works on a variety of fields. You know, we go from community wellness and youth suicide to mineral exploration. You know, we work with environment and exploration companies on the mineral exploration and government advisory committee. We're involved in the northern labour market committee. And I know you're familiar with that and the need to train northerners, and in particular young northerners, for the labour force of today.

I'm sure that you're also aware of the northern Saskatchewan environmental quality committee. It has been operating for some time and very successfully, I think. And the membership there is as engaged as ever, if not more. And we're very pleased with, you know, how that organization has matured.

And the northerners are impressing people that come to speak to them, to present to them and then field questions, because it turns

out that the northerners at that committee are very well versed. And they ask good questions, tough questions, and fair questions. And they listen, they listen to the answers. So those are some of the examples of how northern engagement works with our partners in the North.

Mr. Vermette: — Thank you for that, Scott, as well. And I know there's quite a few issues that need to be addressed. And I think, in light of learning of the conversations going on here, I know we don't have a lot of time for the area that went to Northern Affairs. But I mean, I'm thinking about some of the issues that are facing . . . And I think about Wollaston Lake, the all-weather road that they've been asking for, working with your ministry, with Highways.

Maybe what needs to happen is — and I'm going to commit to doing this — you will be receiving letters from me on all the issues that I'm going to be . . . I think it's time that we move it up to make sure we're getting correspondence, so that I can say that I've made sure I shared them with you and your officials so that you guys can move on some of the stuff with other ministries.

Because there's been things — I think about the airports in Pelican Narrows. I think about the airport in Southend — there are so many issues that need to be addressed. Whether it's the roads, Highway 102, long-term care in La Ronge, long-term care in Creighton, there are many issues that people are bringing forward.

And I think what I'm hearing you're saying is, yourself and your officials, making sure that you're aware of those, you might be able to work with ministries and push. And maybe that's where we need to utilize . . . And I'm going to be making sure I reach out to the leadership to tell them, like if you guys want some action, then we're going to have to start doing a little more working together to have your officials and yourself lobbying, advocating for us. Because obviously some of those files are not getting anywhere with the ministries. They're just not moving on.

And the North needs someone to be able to advocate. And whether it's the MLA [Member of the Legislative Assembly] who represents them or if it's the Minister of Northern Affairs, something has to change. Because the way it's going right now, I'll be honest with you, yes you might be moving on some of these files and there might be small amounts of dollars that are coming forward to help out. And those are good things. Like don't get me wrong; I give credit where credit is due. And any time you can help our youth, whether it's trapping, suicide, addictions, we all say back home, we need that. We're losing too many of our children to addictions, to suicide.

But there are so many challenges facing northern people. And you know, you talk about training. Scott, you mentioned training. And I think about it. We've had Cameco who's laid off about 800 workers. Well I guess it's 700 in the North. And I was waiting for this so-called, I've heard this rapid response team that government, you know, the province was going to bring in and help out. And I know people are still waiting for the plane to land with the rapid response team because I don't believe the team ever showed up, or if they did, very few people heard where they were landing.

So there are some of these frustrations that people are having when they're trying to bring their issues forward, you know. And again I'll go back to whatever dollars you have in your ministry to work to make sure First Nations and Métis are consulted on many different files. You as a minister, all I can do is say I take you for your word that you're saying you're willing to work on some of these things. I'm hoping to see some action on some of these files rather than just talking about them.

So what I'm committing to do is making sure you have the letters that need to come and the information to act on them, and then maybe do a follow-up with you every three months to ask whereabouts are you and your ministry working with the other ministries to achieve some of these things. Because I think they're important. And if we don't talk about them and share them, with the dollars you have, you know, you talk about the dollars you do have and you're committing to. I'm excited to see where some of these dollars are.

I think about, I'll give you an example. The northern trappers have been asking for core funding to establish, you know, making sure they have an office, a staff to help them. They've asked for that. They've put in proposals. But of course it's been no, no, no, or not right now. When will those requests and those proposals that are coming forward, when will northern people get the response?

If you're having allocating dollars, and you talk about an increase of dollars, I know there's a lot that has to be covered. But sometimes the frustration is there. Let's try to work together to solve some of the problems. And that's what I'm trying to do here today. So I know you have limited dollars. But I guess the one thing you do have, I'm hoping you can advocate for many, whether it's our northern leaders, our trappers, our youth.

And I know you do some of it, don't get me wrong, I've seen some of your staff out there doing the work that they need to do, and that's fine. I'll be honest with you — my opinion, there isn't enough staff out there. We need to have more people engaged in the North when it comes to economics, programs to make sure, procurement policies. There's many things that need to happen to the North to help out if we want it, tourism. If there is a government and ministry that has a will to do that, I'd encourage that. And we'll follow up with some letters. I know here we have a very short period of time. But again, I want to thank you for your commitment to say that you're willing to work on those files with your staff. So with that, you know, I will bring forward those questions.

One area I actually would like to see if I can get an answer and see what you think about it. I know Pelican Narrows, the airport, does not have emergency lighting for night, in case of emergency. And we see with what's happening with the birthing in Flin Flon, they can no longer access that service in Flin Flon, so they have to be driven to The Pas, to P.A., wherever they're going to go. And there is . . . The airport is there, but they cannot operate it at night.

And I know that . . . Well I was excited because there was one of your . . . I think it was from Highways was at one of the northern conventions that I was at and shared with that, you know, they did some training. And that's great that they did some training for lighting at night for emergency. But the one person or two

people, if they're out of the community, then that's done. Nobody else is trained.

So there's really a . . . I guess all I can say to you from the community with the hundreds and hundreds of signatures on a petition, the leadership, people are hoping, you know . . . And that's another area where maybe you can advocate with, you know, Highways to say, come on, this is the right thing to do. It's about safety. It's not about somebody saying, we want this for cosmetics or, you know, it is about safety.

So that community is a . . . It's one of our bigger communities. It's the biggest band. So I mean I'm just hoping you could work on that with . . . And we're going to continue to raise it. I know the leadership has continued to raise it. But I thought it was a good opportunity to maybe ask you again if you could, with your officials, work on that to say, this needs to happen and, you know, maybe reach out that way.

So maybe you've got a few things you could share with me about that airport because I know they need some attention in emergency situation comes out.

Hon. Mr. Kaeding: — Thank you for identifying, you know, areas like that. And certainly with Pelican, we've been in there, flown in there, we had an opportunity to . . . Well and actually working with the Minister of Rural and Remote Health, you know, certainly understands what's going on across on the other side in Flin Flon and in the Creighton area as to some of the issues they may be having around their hospital and services that they're offering now.

The Minister of Highways and I have also been spending a fair bit of time on working on some potential initiatives including commercial air companies and what they have identified as what they may need to just increase their service and reliability into communities like that.

So we're certainly working on some initiatives right now. It does involve Transport Canada and the federal government so we're certainly needing to lobby them. And we've taken that initiative as well to lobby them and get them more involved in understanding what some of the needs and requirements are for some of these emergency services. It may be more permanent lighting that you're looking at in some of those airports.

[19:15]

You know, again that conversation could be had about Fond-du-Lac as well, in that we've been able to secure approximately \$14 million between the feds and ourselves. And understanding that that's a good start but more needs to be done. And again trying to get this in front of Transport Canada so they understand what some of the requirements are in our northern communities and what some of the issues are and to have them have a better understanding.

It's interesting, we did have some commercial airline companies talk to us and just said, you know, there's a few things that we can maybe undertake here, that maybe aren't that heavy on the capital investment side, that may be able to improve airport efficiency. So certainly again the Minister of Highways and I are looking at some of those initiatives to determine if we can get

those implemented, and hopefully including Transport Canada in some of those initiatives.

But I also want to make sure that your communities are aware too, that with the new infrastructure agreement we've signed with the federal government, that they have access to those funds which they didn't have before. And so just to make sure that the communities are reminded that they can go through the expression of interest on some of the other infrastructure applications — through the expression of interest and then through a little deeper application process. But in the past, First Nations northern communities maybe didn't have that same opportunity that they actually do with this program as well.

So I'd encourage you to ensure that your communities are well aware of that. And we certainly have good people that can help them, you know, understand what's required for the expression of interest and get their applications in in a timely fashion as well.

So well aware of the concerns there and to give you our promise that we are looking at that and trying to do more and figure out some ways to get that done.

Introduction of Guests

The Chair: — Could I cut in here for just a second please, committee members? I'd like to take this opportunity to introduce a delegation from Western Australia that has just come into the committee room.

As many of you know, the Saskatchewan branch of the Commonwealth Parliamentary Association participates in an interparliamentary exchange with the Parliament of Western Australia. The delegates arrived today and are here for two weeks.

This week the delegates will be observing proceedings of the Legislative Assembly and committees. Next week the members will accompany MLAs to their constituencies to focus on their special interest areas while the staff will remain in Regina and receive briefings from the Legislative Assembly Service.

So if you could please stand when I introduce your name: the Hon. Martin Aldridge, Member of the Legislative Council; Hon. Diane Evers, Member of the Legislative Council; and Mr. Shane Love, Member of the Legislative Assembly.

To our guests: you're observing the Standing Committee on Intergovernmental Affairs and Justice, a policy field committee mandated to review estimates, legislation, and annual reports and so on, related to justice, corrections, policing, municipal, intergovernmental, interprovincial, First Nations, Métis, northern affairs, and tourism, parks, culture and sport.

Currently the committee is examining the estimates of the Ministry of Government Relations, which includes estimates for Municipal Relations, First Nations, Métis, Northern Affairs, and Public Safety.

I'd like everybody to please welcome our delegation.

Mr. Kaeding.

General Revenue Fund Government Relations Vote 30 (continued)

Hon. Mr. Kaeding: — So, Mr. Chair, we'll just maybe review a couple of points that were brought up that will maybe provide some clarification on Pelican Narrows. Scott has indicated that there was 12 trained people, or at least 12 trained people that were able to manage the lighting system there. So you know, certainly understanding that capacity is always an issue, so made a point of ensuring that we tried to have an adequate number of people that were trained for that. So that's certainly something that we're always aware of, is trying to ensure that capacity is built within communities.

Just in regards to trappers and talking about fees, from what I understand there actually isn't fees pertaining directly to trappers but there are on outfitters. So what I understand is that it's the outfitters that actually had some significant fees that were attached to them. Trappers have had traditional resource fees that have stayed at . . . At zero?

A Member: — Yes, it's got traditional resource use.

Hon. Mr. Kaeding: — Okay traditional resource use fees that have been retained at levels that they've been in the past.

So that and I guess just when we talk about northern spending, I just do want to talk about where this budget is at for northern spending. So the 2019-20 budget from when we add up through the various ministries, and I believe we have six ministries' budgets included in this. Okay, no, sorry now we got the second page. So we have 11 ministries with a total funding values — and this is dedicated strictly to the North — with 346.6 million, up just under 6 million from last year. Last year was at 340.875 million. So that's everything from Advanced Education, Corrections and Policing. Well we'll give a few highlights.

Significant increases under preventative maintenance and renewal through education facilities in the North, that increased about 14 per cent in the budget. Wildfire management program, we had a significant budget increase there, 27 per cent, now is up to \$38 million, a significant increase. Actually a big study being done in the woodland caribou range plan development project and that's just about an extra million dollars added to that, \$965,000 added to that program.

Just in the beverage container collection recycling system in the North, a 7 per cent increase getting up to just about \$950,000. A big one that I know I've heard quite often in northern communities is abandoned site remediation. So this is through Environment. A significant increase now of \$300,000 up from what it was in the past at \$45,000, so a significant increase in that area.

Revenue sharing, we've talked about, has gone up about \$645,000. Northern medical services physician contracts gone up just about \$700,000, a budget increase of about 5 per cent. Labour market development, we talk about Immigration and Career Training for First Nations, Métis initiatives and institutions, increase of 6.7 per cent, or just about \$875,000 increase from last year gets us to \$13.838 million this year.

Integrated justice services, another important area that we often hear about, and community services grants and community safety outcomes — \$170,000 increase or a 20 per cent increase in the budget to just under a million dollars now, \$996,000 designated to that area.

Parks capital programs for parks in the northern administrative district, a significant increase there, just over a half a million dollars in the budget for this year. Social Services, some significant changes there. Just a couple of highlights: \$938,000 increase in Saskatchewan Housing Corp.-owned housing operations and improvement costs; group home and repairs, some emerging needs showing up in group homes like you'd indicated, there's \$150,000 increase there.

So those would be a few of the highlights that we're seeing in the northern spending budgets for this year and those are specifically for the northern administrative district. So an increase of \$5.8 million over last year's budget.

Mr. Vermette: — If the member from Athabasca was here I kind of know how he would comment on that. So half of the province we get three hundred and I think it's eighty-seven million; the other half of the province gets how much? As example of budgets when you talk about seven ministries allocating dollars. But anyway, I'll leave that at that.

The other area I wanted to mention to you, we talked about Wollaston Lake and getting the road done there. Also the Pelican . . . I don't want to leave you that it's just about lighting in Pelican. I mean, it's a gravel airport; it needs major upgrades. I mean so I don't want to think and leave anyone thinking that it isn't as serious that it's not paved. There's a lot of issues that need to be addressed there to bring it up to as a provincial airport. So the upgrades that are needed, I don't want to think it's just about the lighting. So I want to be clear on that.

Now, you're talking about . . . And maybe we've got people, guests here and whoever else around maybe could help us. With you and maybe your officials, we could do a press release right now announcing Pelican airport and the Wollaston Lake road. We'd be willing to work with you in any way we can to get that done. Any way. If you would, again, commit to doing the, you know, as you said earlier the stuff that you're aware of. And I will be sending you some correspondence with some of those challenges to make sure that yourself and your officials know and doing a follow-up on where we're at. Whether it's petitions, and I know there's petitions coming in for different areas that people are raising their concerns.

So we'll continue to work. I know you have limited dollars, you know, but again I would encourage you and hope you can work with other ministries to understand the seriousness and the challenge that northern people are facing right now. It's one of the poorest regions. Very proud people but living in one of the poorest regions when you look at it.

So if there's a time, a right time to do things, I think now is the time to start dealing with some of these challenges, issues that we're facing, whether it's our mayors and the good work they do and their councils, First Nations, our Métis leaders doing what they can do.

Do I agree with everything? Obviously we don't always agree on everything and we're not going to. But if we can have an honest dialogue sometimes and deal with the issues that need to be addressed, hopefully, you know, with the budget and the money you're allocated, maybe we can get you a lot more money if we work hard together on this government and maybe you're . . . you'll have maybe an extra 150 staff helping North deal with the challenges.

Anyway with that, I don't have any further questions. I just wanted to get a chance to bring up some of the highlights. I know my colleagues have more to say. Thank you.

The Chair: — Thank you, Mr. Vermette. Mr. McCall.

Mr. McCall: — Thank you very much, Mr. Chair, and to my colleague for ceding the floor. I guess I want to ask the indulgence of committee members for something that's a bit out of the ordinary. This morning the word came of the passing of Noel Starblanket at age 72. And certainly he was a real giant, not just for the people of Star Blanket, not just for Indigenous people in Saskatchewan, but the province of Saskatchewan and all of Canada has lost a tremendous human being with Noel's passing.

So with the indulgence of the committee, I'd ask if we could mark a moment of silence before we start discussion of Indigenous relations here in Saskatchewan.

The Chair: — Yes, let's take a moment of silence please for Noel Starblanket.

[The committee observed a moment of silence.]

The Chair: — Thank you, committee, and may he rest in peace.

Mr. McCall: — Thank you very much, Mr. Chair, and again thanks to committee members and all here for that. I guess my first question off the top would be, this is . . . We're here in the era of reconciliation. We're here in the wake of the Calls to Action from the TRC [Truth and Reconciliation Commission]. I guess I'm looking for guidance from the minister or officials as to what is the government's position on the Calls to Action from the Truth and Reconciliation Commission.

Hon. Mr. Kaeding: — So certainly since I believe it was 2015 this government has launched two new initiatives that directly respond to the calls of action . And currently we're acting on 26 of 34 Calls to Action that were directed at this province. And I know we're doing kind of an annual update as to where we're at in various aspects of the Calls to Action that pertain to the province.

[19:30]

And certainly we've undertaken an awful lot of the initiatives that I believe it is . . . actually presented us as taking the lead in, when you're compared to a number of other provinces in the country. Areas about, you know, where Truth and Reconciliation is in our education program, and children in care, you know, some of the initiatives now that we've got, that we've undertaken . . . oh boy. Training with government officials and where they're at, you know, mandatory training that we've had our officials undertake.

And I believe it has put us in the lead when it comes to a number of other provinces in Canada when it comes to various Calls to Action. But I think, Giselle, if I can have you maybe get into some of the details on maybe some of the areas that we can expand a little bit more on.

Ms. Marcotte: — Giselle Marcotte, assistant deputy minister, First Nations, Métis, Northern Affairs division.

Throughout the government we've been working with other ministries as well as a central agency to assist them in identifying areas that they might want to be working in. But they've also come up with their own initiatives around child welfare through the Ministry of Social Services, and as the minister mentioned, around education, health, justice.

And we pursued a fairly strong agenda in justice, including the continuation that the Ministry of Justice has. You can speak to them further. The continuation of their elders forum, their elders who provide them with guidance. And we continue to work with post-secondary institutions as well.

And do you have any further questions, specifically?

Mr. McCall: — I surely do. So I guess my question for the minister, and again there's a differentiation that's made between 26 of the 34 that are deemed to apply to provincial government activities under the Calls to Action, of which there are 92 overall. It begs a number of questions. Of the 34 in total that apply to the Government of Saskatchewan, what is the position of the Government of Saskatchewan on the ones that, they're not being acted upon? What's the rationale with which the Government of Saskatchewan approaches the relevant Calls to Action?

Hon. Mr. Kaeding: — So I think what Giselle has indicated is that this is an ongoing process and certainly it's some that aren't going to have answers or even conclusions built into them within a year or two.

You know, I think there's been significant improvements in a number of the Calls to Action. Some of them, you know, involves moving this even beyond what we can do in this province. You know, what it's going to involve is involving, you know, our federal government as to what are we able to work with them to try and achieve some results to the Calls to Action.

As well, some of them involve some pretty significant engagement with our First Nations and Métis partners as well. And that's an ongoing process where even within our First Nations and Métis groups they're even struggling with how they perceive or believe that there needs to be some actions taken. So there's some ongoing work that needs to be done with all our stakeholder groups, whether it's federal government . . . It's even within ministries. You know, whereas this ministry might not be able to come to a conclusion on a Call to Action, it's going to involve another ministry or a number of ministries. So it's going to take some work in getting everyone together, you know, to work towards some common goals, to conclusions to some of those Calls to Action.

So I think what you're seeing is that some of these require a lot of pre-work, a lot of liaison work, a lot of co-operation, and some further development. But I believe we've had a fair bit of success

as we've been able to move forward from when they were first initiated. But what we're doing is working with our partners, and as you can see there's a number of partners that we need to engage with.

Like say even our tribal councils, FSIN [Federation of Sovereign Indigenous Nations], Métis Nation all have some unique requirements and some unique issues that we need to deal with. And it's an ongoing process, and I believe we're making some good advancements. But it's certainly not going to be something we're going to be able to conclude immediately.

Mr. McCall: — Well I thank the minister for that. I guess what I'm interested in knowing, certainly I recognize the complexity and the challenge of the responding to the Calls to Action. And in terms of the job that the opposition has set before it by the people of Saskatchewan, in terms of holding the government to account for its record, clarity is a real ally in that pursuit.

So in terms of what's happening with the Calls to Action, there is a resolution of this House that the minister is well aware of where this House unanimously supported the Calls to Action from the Truth and Reconciliation Commission. There has been debate subsequent where there is some question as to whether or not that support is in fact unanimous or not when it comes to something like the United Nations Declaration on the Rights of Indigenous Peoples, something that is being taken up by various of our neighbours throughout the Federation.

So in terms of understanding what the government's response is to the Calls to Action, is there any consideration being given to an annual reporting, a public reporting and not just for inter-ministerial committee deliberations, but for the public to see what's happening on the relevant Calls to Action?

And again, in terms of what the situation is with the 26 that are being acted upon and the remaining 8 of the 34 that apply in total, what's happening with them? Are they being refused out of hand by the government? Are they being deemed as not something that the government is interested in? And if so, that is at odds with what was a unanimous vote of this Legislative Assembly.

So in terms of keeping track, Mr. Minister, in terms of understanding where the government is on these Calls to Action that came out of an awful lot of hard work and suffering and pain for people that, you know, came forward to point a better way forward for all of us in Canada, we want to know what the progress is on those Calls to Action.

So if the minister could tell us, you know, is there a plan for an annual reporting to provide that accountability? What's the difference between the ones that are being taken up on and the ones that are not? And what are the thoughts of the government on the Calls to Action? Does it stand by that unanimous vote of the Legislative Assembly?

Hon. Mr. Kaeding: — So I think as we've talked about before, I mean this government is very committed, as we've indicated, on seeking, you know, on working towards completion of these, the 34 that are directed to the province, you know, 26 that we have got some direct response to. And we can certainly and will review some of those with you right now. And then as well, indicating kind of where we also need to have some further

discussion with our stakeholder groups, as we talked about, including First Nations, as they need to deem how they would prefer us to go down this path together with them.

But I mean we've made a commitment that we will work towards reconciliation on these. And I believe we've had a fairly good success record as we've moved towards those. So, Giselle, I'll maybe get you to review some of the high-level points on some of these points.

Mr. McCall: — I don't mean to be rude, Mr. Minister, or anything like that. And I could certainly listen to officials all day, but in the interest of time, in terms of how the government reports out what's happening in terms of Calls to Action, could the minister commit to a public annual reporting of the action that has been taken by the Government of Saskatchewan in response to the Calls to Action? What action has been taken? If not, why not? That'd be a very helpful exercise for the government to undertake, I would submit.

Hon. Mr. Kaeding: — I think what I'll commit to tonight is that, for someone who's interested as to where we are at with our points, you can contact our office and we will make that available to you.

[19:45]

Mr. McCall: — Is there any consideration to seizing upon a mechanism such as that that was decided upon in Manitoba for an annual reporting on action in response to the Calls to Action? Because again, one of the frustrations that we have in terms of this exercise is that we hear a lot of positive, general comments about the Calls to Action and then we'll be provided with schematics, say in Premier's estimates, where it will be enumerating actions.

We were provided a schematic by Premier Wall concerning some of the . . . Some of the actions that were referred to had been cut in the budget. So in terms of having something that is accurate, that is up-to-date, that is accountable to the people of Saskatchewan, I would again submit that that would be a very helpful exercise for the government to undertake. And would the minister please commit to that here tonight?

Hon. Mr. Kaeding: — I won't commit to a final deadline or timeline on it but we will be working towards that.

Mr. McCall: — I'll take what I can get, Mr. Minister, but obviously these are hugely important for the province of Saskatchewan. I know the minister has a good heart and he takes that seriously, so this is where you demonstrate that. And again part of our job in opposition is understanding what the government's up to, and information is critical in that regard. So I guess we'll get back and see where the progress is at on this particular file.

But I guess in terms of that, it does beg a particular question. What is the minister's response and what is the Government of Saskatchewan's response to Call to Action no. 43, where it's stated:

We call upon federal, provincial, territorial, and municipal governments to fully adopt and implement the United

Nations Declaration on the Rights of Indigenous Peoples as the framework for reconciliation.

Again this was part of a larger motion that was voted upon unanimously in favour by the Legislative Assembly, but that we've since had some cause to perhaps think there's some confusion on the part of the government, or perhaps some disagreement in terms of whether or not this is something that the government agrees with.

And I'd also suggest again that there are other jurisdictions in the federation that are doing just this very thing. So does the minister have any specific observations on this particular Call to Action?

Hon. Mr. Kaeding: — So I think where we're at with UNDRIP [United Nations Declaration on the Rights of Indigenous Peoples] right now is that we haven't adopted a formal position with respect to UNDRIP. I think we have some concerns around the vagueness. You know, it can be interpreted in many different ways.

But what we really do believe in is the value of the treaty that has been signed between First Nations and the province and the Government of Canada. And the rights that are enshrined within the treaty are certainly those that we're always working towards and certainly value.

You know, right now we're doing significant work, I believe, and again leading the country in where we're at with treaty land claims, with what we've been able to accomplish with a number of First Nations partners under economic development, and what we've been able to accomplish in, you know, in other areas of responsibilities that have been both outlined in treaty, and as well what we've been able to work with above and beyond.

You know, I think there's still a lot of discussions that we need to have with our Indigenous partners, especially with FSIN and with Métis Nation, you know, around some of the issues that they hold valuable to them. And as well just continuing to work towards our treaty agreements that again have been enshrined, you know, with the province and with the Government of Canada. So I think that's where we're at with UNDRIP right now.

Mr. McCall: — Thanks, Mr. Minister. I guess we'll set that aside or carry on from that response. And I guess if we could get a status report from the minister as to the state of affairs with the FSIN. There's a bilateral protocol that has been in the past at play at the different meetings, different tables taking place between the government and the FSIN, and of course as the representative voice for the treaty First Nations in the province.

Could the minister tell us where things are at with the bilateral protocol and then any other similar reflections on engagement with the MNS [Métis Nation of Saskatchewan]? And then maybe we can, you know, talk about the treaty table just for good measure.

Hon. Mr. Kaeding: — So where we're at with FSIN, you know, our door is always open to them. We have had a number of conversations with Chief Cameron, with his vice-chiefs. Various issues, you know, really covering the gamut of what we believe FSIN has brought to us to the table. You know, whether it's

gaming, treaty rights, justice, education, child and family services — we have had those conversations and at a number of levels, right to the Premier.

We have had a number of engagements with literally every tribal chief in the province, and again gone out to either visit with them or have them come in with their chiefs and with their member nations, and again to discuss a number of issues that they may bring to the table.

I was just at the Métis Nation legislative assembly on the weekend and certainly able to engage with a number of leaders there, and have an open-door policy with them, have had the president meet with us on a number of occasions here. I know he's, I believe, met with the Premier. So we've had a number of opportunities to engage and have taken that opportunity to do that.

The Office of the Treaty Commissioner, I believe we've had a very strong relationship with the office and had a number of occasions to meet with her in her office. She's come and met with us, and again engaging in a number of issues that are important to her and relevant to her, as well as her representation with FSIN and her liaison between them and us as government.

So I believe we've been able to take seriously the issues that are brought forward to us by Métis Nation and by FSIN, and have dealt with them every opportunity that we've been able to.

Mr. McCall: — Could the minister describe for the committee the engagement that took place with the FSIN around Bills 160 and 161, *The Trespass to Property Act* changes?

Hon. Mr. Kaeding: — So I certainly took the initiative to have conversations with Chief Cameron around that issue. Before the legislation was introduced, we had a discussion around that. Minister of Justice, I know, had spent some more time around those discussions but I certainly was engaged with Chief Cameron around that issue.

Mr. McCall: — I believe in some of the public commentary that accompanied the FSIN's response to the government's introducing *The Trespass to Property Act* was, I think the . . . oh, I think the bottom line was to threaten to sue, was to threaten legal action against the government.

[20:00]

If the consultation that the minister's described has taken place, what explanation does the minister or officials have for the fact that what would seem to be a fairly good level of consultation resulted in public claims of not being consulted and threats of legal action?

Hon. Mr. Kaeding: — Well I'm not sure I can comment around the threats of legal action. And again that would be an initiative that they would have to undertake if they so felt they needed to. But we've certainly had engagement at all levels and continue to have engagement. It's still an ongoing discussion that we have in trying to understand each other's positions, I guess, and trying to reassure them that, you know, this does not contravene their treaty rights. So it's an ongoing engagement that I believe we will continue to have.

Mr. McCall: — Noting the ever-narrowing window of time that I have to ask the minister these questions, I guess one sort of question I would have is . . . I believe, 2009, one of the minister's predecessors signed off on Jordan's principle for the Government of Saskatchewan. Does the minister have some understanding of the number of cases where Jordan's principle was invoked, and the kind of dollar figures involved in those cases from the time of its signing, near 10 years ago now, to this day?

Hon. Mr. Kaeding: — So currently I can't provide any specific information as it pertains to the province's expenditure and number of engagements. Actually what we're trying to get a better understanding from the federal government is how this pertains to us as a province. And actually I'm going to let Giselle speak to that a little bit more, as she's had some engagements with the federal government to try and understand exactly where we fit as a province in the whole scope of Jordan's principle.

Ms. Marcotte: — Giselle Marcotte. So since that interim implementation of Jordan's principle was signed, it changed considerably. The Canadian Human Rights Tribunal asked that the federal government expand its definition. They've done that on about three or four times. So the interim implementation plan was set aside by the federal government and the federal government has been responding to all calls by First Nations to Jordan's principle.

Mr. McCall: — Thank you for that. If, perhaps the Minister or officials could undertake to provide a more detailed analysis of what's happened since the interim agreement — in the interest of time, of course — I'd be much obliged.

Certainly there are a great number of files, big, important files that are at play right now with the feds. There's also a number of different court decisions that have an ongoing, sort of, have an ongoing impact on the jurisprudence. And I guess in terms of other ministries that are impacted, I'm presuming that Indigenous relations or First Nations, Métis relations plays a lead, sort of guide role, alongside aligned ministries like Social Services or Education in terms of these things being properly implemented.

So I guess one of the things I'm looking for is some understanding of how the Government of Saskatchewan responds to the, for example, the decision in the Fort Robinson-Huron Treaty. What sort of recognition is made to the precedents that are set there? And then how does that find its way back into government decisions, government policy, and impacting people's lives here in the province?

Hon. Mr. Kaeding: — I think right now we're going to defer to Justice on that, you know, to try and get a full understanding from them as to what their interpretations, roles, and responsibilities around decisions like that may be to us in Saskatchewan. So I think we're going to defer to that question to be put in front of Justice.

Mr. McCall: — So just to be clear, it doesn't find its way into, say the treaty table or into the bilateral agreements with the different Indigenous bodies in the province? You await further instruction from Justice on these matters.

Hon. Mr. Kaeding: — Correct.

Mr. McCall: — Thanks. I guess we'll get into the lightning round here, Mr. Minister. So many questions, such little time. What sort of helpful role is SAMA [Saskatchewan Assessment Management Agency] playing in terms of, for example, the evaluation of property values in a place like White Bear in terms of different experiences for their neighbours in that part of the world?

This is arguably a place where something like SAMA could play a very helpful role, where the ministry could play a very helpful role in terms of providing that expertise and making sure that things are kept up to date in terms of property value. Is the ministry interested in playing that kind of role, and if so, has there been any progress on that front?

Hon. Mr. Kaeding: — So just to refresh, everyone's role of SAMA, SAMA is an independent body, do get some funding from this ministry. And certainly look at a number of opportunities that they may be able to provide services in, I'd like to mention, at a cost-recovery basis. So if there's an opportunity that a community such as White Bear may want to put a proposal toward SAMA, SAMA would certainly be engaged and would be willing to look at that, and look at it as if there's a mutual agreement that they can work between each other, would certainly look at that as a beneficial proposition.

Mr. McCall: — Okay, thanks for that. And again the minister had referenced treaty land entitlement as, in total, a pretty massive success for Saskatchewan generally but First Nations people in particular, and for the cause of justice and making sure that the treaties were upheld.

In terms of the availability of Crown lands to treaty land entitlement, what happened with the PFRA [Prairie Farm Rehabilitation Administration] pastures, and what is the policy of the government when it comes to the disbursement of Crown land as relates to the treaty land entitlement process?

Hon. Mr. Kaeding: — So again just, I think, to brag about this province's success, is that when it comes to treaty land entitlement, I believe we as well lead the nation in the number of settlements that we've been able to accomplish in this province. And what that has provided us, I think, is surety when we start looking at where we're ranked with resource development companies and how they believe that this jurisdiction is, I believe, ranked third in the world when it comes to resource development. And part of that is, is the surety that they have with First Nations partners and with who they have opportunities to deal with. So I believe that we have been able to reach closure on a significant number of treaty land entitlements, and there's actually not that many left to go as we move forward.

[20:15]

But I know your question was around access to land and how that has maybe . . . what's been available to them and what they have access to. I'm going to get Michelle to give us a bit of background as to what's available to First Nations on treaty land entitlement.

Ms. Maurer: — Hi. So I guess under the Treaty Land Entitlement Agreements, First Nations are able to select and purchase any land they're interested in, in the province. And that's one of the benefits, is that if they're interested in any

Crown land or privately owned land, they're able to select it under our process. And we'll review it and determine what third party interests exist and whether it's available for sale and under what conditions.

The PFRA pastures, I guess, were transitioned to the province and it didn't change the process for them to acquire the lands under the TLE [Treaty Land Entitlement] Agreements. They're still able to select them and the province would review them as they would any Crown land selection.

Mr. McCall: — So just for a comparison, over the past three years, how many selections would be made on an annual basis? And how many of those would have been granted? How many of those would have been denied?

Ms. Maurer: — I don't have those numbers in front of me, but I could definitely provide that to you.

Mr. McCall: — We're just a humble opposition. We happily take undertakings from ministers all the time. So we thank you for that.

I guess one last question, in the interest of not having my colleague try to throw my chair over. What sort of involvement does First Nations and Métis Relations have with the gaming framework agreement negotiation thereof? I know SLGA [Saskatchewan Liquor and Gaming Authority] takes the lead on it generally, but certainly your ministry, Mr. Minister, has input. And what is the likelihood, when the next negotiation period comes up, that action is taken to eliminate the crossover payment and that each side keeps what it makes?

As well, what sort of direction does the ministry provide to an organization like the Saskatchewan Gaming Corporation that has long had on its books a goal of at least 50 per cent Indigenous employment but has failed to meet that for many, many years? What sort of leadership or helpful role can the ministry provide in these two regards?

Hon. Mr. Kaeding: — Okay. So we've got a few questions in that. We'll try and get through each one of them, and remind me if I don't get to each one.

The gaming framework agreement is reviewed every five years, so the last review period was 2017. And in that review period, they decided a joint agreement to actually extend that period another 10 years. So that now is 25 plus 10 gets us to the next review period; the next period of renewal is 2032, so 2032.

We're talking about the Saskatchewan Gaming Commission and the 50 per cent Indigenous employees, and I will let you defer to the minister responsible for Sask. Gaming Commission as to their enforcement of the 50 per cent Indigenous content on that. That's kind of out of our prerogative here.

On the crossover payments, and I know that has been a discussion certainly, but I guess it's hard to comment on the future state of proceeds. I mean, we see where gaming revenues have been slipping in the last few years now, and it's been a fairly steady decrease. But not to say that by 2022 — which is the next review period by the Government of Saskatchewan, and a partner in this would be FSIN — that the next review window is 2022, but that's

not something that will be discussed more fulsome at that time. I think it gives both parties an opportunity to have a more fulsome discussion as to what their expectations are around that.

Mr. McCall: — Well thank you for that, Mr. Minister. And again, as the Minister Responsible for Indigenous Relations, I would submit that you do have a significant role to play in terms of making sure the questions like living up to commitments that have been undertaken around Indigenous employment, which is so very critical in this province, Mr. Minister, I would suggest that yourself and the ministry have a big role to play in that whole process.

Mr. Minister, we could talk all night. Certainly I enjoyed listening to your officials almost as much as I enjoy listening to you, but the time has come to wrap up my portion of the proceedings. So again, I would say thank you to committee members and to officials, many and sundry, and certainly, Mr. Minister, to yourself for a good discussion on some very important issues for the people of Saskatchewan. And with that, I bid you farewell and turn the floor over to my colleague, the member from Rosemont.

The Chair: — I think what we'll do, we've been going for just about two hours here, so let's just have about a five-minute recess. So we will return in about five minutes.

[The committee recessed for a period of time.]

The Chair: — Well welcome back everybody to Intergovernmental Affairs and Justice. I would like to say that Trent Wotherspoon is now substituting for Buckley Belanger. I can run through the people again. I'm Fred Bradshaw, the Chair. Ken Francis is also here, along with Hugh Nerlien, Eric Olauson, Laura Ross, and Corey Tochor.

Okay, I guess we can continue on. Mr. Wotherspoon, do you have any questions?

Mr. Wotherspoon: — Sure. Thanks so much to the minister and thanks to the many officials that are still here tonight. I know it's been a long evening for many of you. Thank you to those that are here and the many others that do the good work in this important area throughout the province.

We'll maybe focus a bit of attention on revenue sharing and the new agreement that's been brought forward and I guess the adequacy of those funds and how that's been received by those within the sector. And, you know, we have some of the public comments from SARM [Saskatchewan Association of Rural Municipalities] and SUMA [Saskatchewan Urban Municipalities Association] and New North on these matters. But I'd like to hear from the minister if he's heard from any group or any specific municipalities within the province with concern around the adequacy of revenue sharing.

Hon. Mr. Kaeding: — In regards to municipal revenue sharing, I think the biggest concern that we had going into reviewing the entire program was the concern over loss of predictability, transparency, and their ability to invest wherever they felt necessary. And so those were pretty well the three cornerstones that we needed to have a discussion around, of if we were going to make changes to municipal revenue sharing, was it going to

affect any of those three key components.

So again, hearing from our stakeholders — and we did have numerous discussions, stakeholder consultations throughout the entire process — and striking a committee that represented, you know, each one of the stakeholder groups. Those were their core concerns and I believe ultimately, we ended up with a program that was able to deliver on each and every one of those.

You know, we could certainly go down the path of discussing, you know, is this enough money for infrastructure? Is this enough money for them to be able to offer their core deliverables? And I'm not sure if we have enough money to be able to provide the wish lists and the want lists for every one of our municipalities out there, to each of them. What they were concerned about the most is the predictability aspect. And I believe we've been able to deliver that.

And from what we've heard in post-discussions now and post-delivery of the results of the renewed municipal revenue-sharing agreement, it appears all our stakeholder groups are fine with the decisions that they were ultimately involved in, and they feel comfortable with it. And, you know, as we can see based on last year's versus this year's number, they're seeing just about a 4 per cent increase. And what we're anticipating into next year, it could be the second-highest level of municipal revenue sharing that's on record. And certainly our stakeholder groups seem to be very appreciative of that.

Mr. Wotherspoon: — With respect to the revenue sharing, and it's not delivered per capita so that's not how it's structured. And certainly in rural municipalities there's significant distance and costs that are incurred with a sparser population. But the numbers do matter as well for the urban municipalities. Could you share the numbers by way of the actual per-capita expenditure for rural municipalities and urban municipalities? And maybe track where that's been over the duration of this program?

Hon. Mr. Kaeding: — Again the discussion as the groups were representing their wants and needs to what their vision of a new municipal revenue-sharing agreement was going to be, certainly entertained a lot of ideas. A lot of various ideas were put forward, but ultimately where we all ended up is pretty well where the distribution model had served everyone relatively well in the past. So they ultimately settled on where they've ended up. And how this has worked out, so when it comes to the cities component, it is based on strictly a per-capita basis. The towns and villages, they opted to use a base grant of I believe it was \$2025 and then worked in a per-capita component.

The rural municipalities, 70 per cent was based on kind of a combination of transportation road-related data, kind of classifications of roadways within the municipality, and then 30 per cent of the final number was based on a per-capita amount. And then the northern pool, just because per capita is very sparse, they opted to utilize the service costs for four core services, so that includes administration costs, water and sewer, transportation, and landfills.

So like I say, certainly there was a lot of ideas batted around, but ultimately where they've ended up is cities received 47.9 per cent of the pool allocation; small urbans received 16.2 per cent; RMs [rural municipality] received 28.5 per cent; and the North

received 7.4 per cent. And so what that means in 2019-20 is the urban revenue sharing adds up to 161.297. The rural revenue sharing is 71.715 and the northern revenue sharing is 18.621.

You know, I guess part of the discussion if everything was based on per capita, would certainly then move a lot more towards urban. And I guess, you know, part of the discussion around that is that urbans generally have an opportunity to raise a little bit more revenue than maybe what the rural components or the rural areas would be able to generate. And so ultimately the urban sector was supportive of the fact that they do have other opportunities to raise revenue that maybe the rural didn't have as much.

And certainly in agreement that I don't think you can pick one sector over the other as to whether urban or rural provides more to the economic development of the province, both having a significant contribution to where our economies are developed. And so really couldn't favour one over the other in that factor either. So ultimately we went back to what was proven, tried, and true. And that's where everyone is settled, and that's what we're looking forward to working with in the future.

Mr. Wotherspoon: — Just looking for a little more clarity on the actual numbers or how it breaks out for municipalities. Certainly the costs are well understood for delivering services in municipalities in rural Saskatchewan. The distribution and the vast size are significant. Pressures around landfills and everything else are real.

But I didn't get an answer to my question just on tracking, a breakout on the per capita. And I know the formula's not structured that way, but it's a way of . . . And I'm not suggesting that it should be broken, that the formula should be per capita, because I very much recognize the challenge of delivering services in rural Saskatchewan.

But what are the trends, if you look at per capita, for rural and then for urban since this program was instituted?

Hon. Mr. Kaeding: — So there was a lot of research; we've had a number of years now to accumulate data. And what we're able to track — and I'm going to get Sheldon to speak a lot more clearly on this than what I could possibly present — is that when we did a trend analysis on relative proceeds coming in versus expenditures, whether it was urban based, rural based, what we found is that the current levels that we're at were virtually tracking along the same line that they have in the previous allocation. So, Sheldon, maybe I'll get you to explain that better than I can.

Mr. Green: — Sure. When the program was originally conceived in 2008, launched in 2009-10 that we're with today, the work that we did with municipal sectors to come up with a potential quantum amount was based upon the baskets of services that were analyzed in each of the municipal sectors. So looking at protective services, planning and development, and so forth at the municipal level. And at that time it was looked at that the overall quantum roughly tracked to what was the value of a point of PST at that time. That's the decision that government went with. We've seen the growth in the program.

[20:45]

The most recent review took a look at the trend line between how municipal revenue sharing was tracking over the years and how well the program had kept pace with that, and we found that it tracked remarkably close to that. And that was a key piece of the consultations that we had with municipal officials, was to walk through that data. And that supported government's ultimate decision to remain with the structure that's there today, because it was never intentioned on a program that was designed for a per-capita-based program. It was tied to the cost centres of municipal service delivery.

Mr. Wotherspoon: — So I just don't . . . I appreciate the response. Thank you very much. But, Mr. Minister, the question hasn't been answered. I'm just looking for . . . So you have an amount that's been transferred to municipalities, rural and urban. There was an amount at the start of the program and we're at a place right now . . . Just where are we at per capita for rural municipalities and where are we at for urban municipalities?

Hon. Mr. Kaeding: — So if you want a breakdown per capita, per component, like per sector, that we don't have with us right now. But we can certainly provide if you need.

Mr. Wotherspoon: — Sure, I'd appreciate that. The information I was provided with, some folks with some solid knowledge and expertise in this sector, would be that the rural municipalities started out at about \$4.50 per capita. And then that's maintained, I think it's about that point right now. And that seems important to have stability because I know there's a lot of cost pressures for rural municipalities. We'll get into landfills and everything else in a little bit.

But around the urban municipalities — and just to look at the notes that I've been provided, the information that I've been provided — is that when the program was initiated it was about \$2.40 for urban municipalities and that that is down to about \$1.80 at this point. So that's a fairly significant drop over that period of time, at a time when those urban municipalities as well have also played a very important role in driving the economy and certainly have been under a lot of pressure for infrastructure renewal, certainly have been, you know, prime places for new Canadians to settle, newcomers to settle and to build their lives, and all the services that come around that important work as well.

So I guess I've shared those two numbers. Could you check with your officials if that's generally where they're tracking right now?

Hon. Mr. Kaeding: — Okay. We can certainly go back and provide those numbers. Are you looking at back to 2007?

Mr. Wotherspoon: — Oh, I think back to inception. So back to the inception of the program and sort of the trajectory. So where they started and where they're at right now.

Hon. Mr. Kaeding: — Okay. So we'll certainly be able to provide that.

I guess I just want to remind you though that when you work it out as to what . . . And again you can easily find this online, but back in two thousand and . . . From where we were at 11 years ago, Regina has seen 142 per cent increase in municipal revenue sharing. Saskatoon has seen 153 per cent increase in municipal

revenue sharing. Yorkton, which I would consider to be a rural community, has seen an increase of 125 per cent.

So when you work it out on that basis, I believe — and I'm not sure if this is where you're headed — our major centres have seen a significant increase in municipal revenue sharing. And again, as we talked about in the past, centres such as Regina and Saskatoon also have a number of opportunities to increase revenue generation through taxation and other venues that they have — certainly have commercial sectors, industry that they have ready access to — that our rural sector maybe doesn't have as easy a background or a backstop going back to.

So you know, we're trying to look at where rural is versus urban. I think, you know, the data that we've got indicates that Regina and Saskatoon have fared very well with municipal revenue sharing. And I think, you know, overall the province, they've done well.

Mr. Wotherspoon: — So I've been around this legislature since the inception of municipal revenue sharing. Certainly it was something that in fact the previous government had, with officials, had undertaken a significant amount of work on to develop and unveil to the people of the province. It's been an important program. The stability is important. So there's no debate there, and I'm well on the record as a strong supporter of this program.

The trajectory is a concern by way of the adequacy of the dollars on the urban side. And it's a bit of a concern hearing the minister here tonight suggest that the urban municipalities have so many options by way of revenues because that's just something I don't hear. I don't hear that from a mayor, and I don't hear that from Mayor Strelasky. I don't hear that up in Yorkton. I don't hear that here in Regina.

I hear a lot of pressure actually that municipalities have been facing. And I think the burden's been felt by property tax payers. Certainly we can look back over the last number of years and the increases have been significant. And they're burdensome certainly and a challenge for many property owners, many homeowners, many families to plan for, a challenge as well for a lot of the commercial sectors. And this is at a time where we had grants-in-lieu of course completely eliminated, the contracts ripped up. I recall just a couple of years ago what that meant out in Melville, Yorkton for example. We saw program dollars that were pulled back as well for urban parks. You know, the urban connector program has been pulled back, I believe, as well.

So I would just like a bit more clarity from the minister because when I'm sitting down with mayors and councils, they're telling me that they're doing really everything they can to deliver services, and they want to be as efficient as possible, and that the property tax increases are a real challenge for many within the province.

So I wouldn't mind hearing just a little bit more because I might be misunderstanding what you're suggesting. Could you be a little more clear about where these dollars that you feel, or the revenues that you feel urban municipalities have available to them that they're not exercising, or how you're expecting them to come up with the dollars that are needed?

Hon. Mr. Kaeding: — Well I think what our municipal stakeholders have been looking for is predictability in a program. And I would say that what municipal revenue sharing has done is it provides them a significant value in predictability, so as they see what their operating costs are, they have a number of opportunities to ensure that they get those operating costs filled.

And I would say that what municipal revenue sharing has provided all our sectors is that predictability that they can now use as their cash flow moving forward. They certainly have a predictability moving two or three years forward. As they know where the economy is moving, they can generally predict what they are going to be receiving for municipal revenue sharing and then make their plans accordingly.

Some of the other factors that we look at too is when you start looking at where infrastructure dollars have been spent and where those dollars are ending up. You would certainly see that, I believe our urban partners are seeing a significant amount of infrastructure money flowing into their communities as well, and I think we could certainly provide what those numbers look like for Regina, Saskatoon, for Yorkton, Melfort, or for Langenburg, for that sake. So I think what you'll find as well is that our urban partners have been doing very well on the allocations, limited allocations of what we've had for infrastructure money when it comes to bilateral programs that may jointly deal with our federal partners as well.

So those are certainly some of the opportunities. The Gas Tax Fund based strictly on per capita, there are certainly opportunities that our municipal sectors will see. The larger the population, the more you get as gas tax funds. And again not a provincial initiative, but that's again a predictable source of revenue that they've got, generally unencumbered to work with their capital and operating costs. So those would be a few of the factors I think that communities have available to them.

Mr. Wotherspoon: — So when you're speaking of . . . Because I hear a lot of pressure in the municipal sector, and I have actually heard a lot of concern over the last number of years on the infrastructure front as well. So there seems to be a bit of a disconnect in what you're hearing as the minister and what many municipalities are communicating: a lot of pressure that they're facing, a lot of needs that exist when it comes to infrastructure renewal.

But specifically back to the revenues and your comment around the revenue opportunities that exist for urban municipalities that aren't there for rural, I just wouldn't mind some clarity on that front. Because certainly a lot of municipalities, urban municipalities, have been faced with making the difficult choice of increasing property taxes and in a fairly significant way in the last number of years. And I know they don't take that lightly, so I suspect they'd be interested in hearing where you feel those revenue opportunities are there for them to alleviate the pressure that they're having to pass on to ratepayers.

[21:00]

Hon. Mr. Kaeding: — I think no doubt we've seen in the province, certainly with the population growth that we've seen in our major centres, that business is moving here, that commercial developments are happening here, that, you know, large

opportunities are developing around our major centres.

You know, certainly the one thing that we take pride in in this province is that we've been able to keep municipal taxes down, I think, at a reasonable level, certainly on the education property tax. I mean this government made the initiative of reducing education property tax and keeping it at a reasonable level across the board. That again is one of those tolerable levels that I think everybody has been willing to accept.

You know, certainly wherever business develops, there's opportunities within those municipalities or those jurisdictions to realize extra revenues from development fees. You know, certainly as areas are growing and you understand what the costs of development are, you're able to recover costs through development fees and making sure that you're not under water as you're developing areas for commercial growth or for residential growth and you're getting cost recovery back in those areas.

Certainly you're seeing the ability to charge business licences. I think we saw that with the cannabis sector. As cannabis facilities were developed, there was business license fees that were attached to those facilities, and certainly you saw a significant variation in those. So obviously different communities felt that they required different values to make sure that their costs were recovered in that area.

As you find population growth, as you find business growth, there's certainly more opportunity to recover proceeds from those areas of growth. So wherever those areas may be, and I think it's certainly no secret, we're seeing those developments certainly evolving around our major urban centres, and they'll certainly be able to take advantage of that as they evolve and as they develop.

Mr. Wotherspoon: — I just caution the minister to be, I guess, just to be careful with some of the assumptions on this front. And I know that our urban municipalities have really been planning in a prudent way, that there's a lot of pressure on their budgets. They've been hit of course with, you know, the grants-in-lieu that were pulled away from many of them — scrapped. Unilaterally, there's been other programs that I've already identified that have been reduced.

And then we see that trajectory per capita from, you know, 2.40 a person to about \$1.80 a person over the last decade, and that's a challenge. And I think there's reasonable question about the adequacy of funds for urban municipalities on that front. That's not to question the importance of, you know, that level for rural municipalities, not suggesting that it should come from rural municipalities.

The province is growing. And it's actually the provincial government that receives the proceeds of much of the growth that's occurred over the last number of years by way of income tax, by way of corporate taxation. It's really the province that has the lion's share of revenues that flow back to them and it's the municipalities who really are very limited on this front.

So that's where it's really important to have municipal revenue sharing in place that's stable, that's predictable, but that's also adequate. And I think it's important to go back and revisit that on this front. And as far as the economic piece in the last few years,

sadly we haven't been growing the way this province should. Our economy has been far more stagnant than it should, and so even the assumptions or the statements around business locating, we wish there was more business locating. We wish more investment was happening.

Sadly, you know, when you look at nominal GDP [gross domestic product] over the last five, it's flat. If you look at retail sales over the last five, it's flat. And certainly if you chat with many businesses in the province, they're feeling a lot of pressure right now.

But I'll move along a little bit to the grants-in-lieu piece. Because of course this was something a couple of years ago that just blindsided communities. I remember shortly after that decision that was made in isolation, going out and meeting with folks all across the province including in Melville and Yorkton. And I remember the real impacts that that offered their budgets. And I'd like to hear from the minister how he justifies not providing some reparations in honouring those commitments and making sure that those dollars are reinstated for those communities who deserve them.

And remember on this front here, we're talking about contracts that were signed and purchases that happened of viable economic interests that were owned by municipalities. These were often utility companies that were generating revenue that had been invested in by municipalities. And it was the province or the Crowns purchasing those utilities, and there was a contract in place to compensate municipalities for their lost revenue. So again we're disappointed that this happened in the first place, that the contract was ripped up, but what's the justification for not building, I guess honouring that program once again, and building a program back with municipalities?

Hon. Mr. Kaeding: — I think what we need to do is to try and provide some clarity around grants-in-lieu because where we're at with grants-in-lieu . . . And just we'll read into the record the definition of grants-in-lieu, is that no lands or property belonging to Canada or any province shall be liable to taxation. So grants-in-lieu is just simply a valuation of what government entities are going to provide a municipality. And we did not cut grants-in-lieu. There is no reduction in grants-in-lieu. In fact what we've done is we've enhanced grants-in-lieu.

So how grants-in-lieu is determined, it's based on the estimated property tax that would otherwise be charged on provincial government-owned buildings. So it's based on assessed property value and then multiplied by local applicable tax rates. So just to make sure that everyone's aware, grants-in-lieu, there are three types of facilities that are exempt from the grants-in-lieu policy altogether, always have been — health facilities, educational facilities, and provincially owned museums. Those are exempt from the grants-in-lieu policy.

What we've done to enhance grants-in-lieu is actually now grants-in-lieu are now paid on government-owned property in RMs. That was not included before. In the 2018-19 budget now SaskPower and SaskEnergy now are going to pay 20 different RMs for properties that they actually own on those RMs.

Just to make sure that everyone's well aware SaskPower, SaskEnergy, TransGas pay grants-in-lieu on property taxes on

non-linear assets, so that would mean office buildings, but it excludes generation transmission distribution facilities, pipelines, and land. Municipalities, they need to submit grants-in-lieu of tax notices to their respective Crowns in order to initiate the grants-in-lieu payment.

So that I guess is where grants-in-lieu are in the province right now. So I'd just like it to be known that actually what we've done is enhance the grants-in-lieu program.

Mr. Wotherspoon: — Well I'd be interested for the minister to take that to Mayor Maloney in Yorkton or, you know, I suspect Mayor Strelasky in Melville or many others that really lost significant revenues a couple years ago that they have no way of making up for. And again I don't want this debate to go on all through the night because there's many areas I want to focus on, but the characterization is inconsistent with what a lot of this represented where there was the purchase of an asset that had been an economic asset or a utility that had been invested in by municipalities purchased by the province with a contract — with a contract — because those municipalities, those property tax payers had taken on debt often, had invested in that project, a project that provided service within the municipality but also that provided revenues. And the contract represented a . . . well it was a contract for one thing, and it represented compensation for the lost revenues into the future.

So I'll leave that response from the minister for those in the municipal sector to relate to. But in the case of the examples of contracts that were signed in the '60s and otherwise that were just ripped up that purchased assets, economic assets that were providing revenues back to municipalities, I'm disappointed with the characterization by the minister tonight. And a contract should be honoured, is my view.

[21:15]

I am interested though. Certainly we've talked about the trajectory for urban municipalities. We've talked about the fact that, I guess, the new revenue sharing is less than most of the past number of years — for the past four, five years — at a time where other funds have been cut from urban municipalities and rural municipalities.

So there's a lot of pressure there, but there's this other imposition on municipalities. That's the PST on construction. And I'm interested in what sort of analysis the minister has around the costs for municipalities by way of the PST on construction, and how that compares to the marginal increase that municipalities are receiving this year through revenue sharing.

Hon. Mr. Kaeding: — Well I think where you're going to see this province . . . Again, the municipal revenue-sharing this year has gone up just over \$10 million. And I think that's a significant increase over what we had initially thought we would maybe need to lock it in as we were having a discussion on municipal revenue sharing. So we're certainly seeing an increase this year, and we're going to see the second-highest level of municipal revenue sharing on record happening next year.

As it comes to PST in construction projects, what we've seen in all our infrastructure projects that have been approved is that not one has been stopped or has said that we can't go forward

because we have PST on our construction project. PST costs, as well as all applicable tax costs, are all written into the cost of the project and can be completely reimbursed on all aspects of the federal-provincial component of the project as it gets completed.

As to the financial costs or implications, I know the Minister of Finance has done analysis on that, and that would probably be best a question put forward to the Minister of Finance.

Mr. Wotherspoon: — But as the Minister for Municipal Affairs . . . I am the critic, and I get out there and hold meetings across the sector. And, you know, I was out to various communities here today, out to the conventions as well as SARM and SUMA, work with New North and others, as I know you do. Do you not have some information that's been provided to you around the marginal increase on revenue sharing this year, and how that compares to the costs of PST incurred on municipal projects?

Hon. Mr. Kaeding: — I can't say that any one municipality has indicated that the increase in revenue sharing is not appreciated by their community. In fact, their expectations were for a lot worse. And the indications that they had for projects going forward, every one of them has a shopping list of projects that they want to undertake. And certainly it's going to be up to them to prioritize those projects as to what they're going to be able to cash flow and what they're going to be able to work with in their budgets of each and every municipality.

And certainly that's where something like asset management is a key factor that we would certainly like to encourage our municipalities to utilize, as it provides them a great metric and measurement on what their assets are, the values of them, the priority that they would have in their community as to where they fit in their priority management of asset replacement. So there's a lot of venues that municipalities have to be able to make decisions as they plan their infrastructure replacement.

Mr. Wotherspoon: — I'm not sure that municipalities would agree with your statement that their expectations were for a lot worse by way of revenue sharing. I know there was a lot of hope. And certainly having stable, predictable revenue sharing is important, and this provides some transparency on that front and something that can be planned from. But the question of adequacy is certainly a question of many municipalities.

I'm disappointed that there hasn't been some numbers run on this tax of, you know, one level of government on another level of government, recognizing there's only one taxpayer. And it's back to the property taxpayer in this case. But when that PST that's being paid on municipal projects, public projects, it's significant. And that's the provincial government imposing that on the municipal governments who are then passing that back to property taxpayers across the province — families, seniors, businesses all across the province. And it's pretty expensive.

I know I've heard from Moose Jaw for example that their increase is about 200,000 by way of revenue sharing, but their increase on the PST side, the cost of the PST on the construction project is \$800,000. And up in more your neck of the woods, Yorkton, they have an increase of about \$100,000 I understand through revenue sharing, but are paying 3 to \$400,000 more through PST on construction.

So I guess just looking for a bit more either clarity if there's been some numbers that, you know, you've assessed, or at least some recognition that the costs of the PST on construction far outstrip any of the marginal increases on revenue sharing this year.

Hon. Mr. Kaeding: — What we've heard from our municipalities and certainly all our stakeholders in the province is that, certainly understanding the economic times that everyone was going through, they're appreciative of the fact that we promised a balanced budget in three years. We've been able to manage a balanced budget. The long-term effects of having a balanced budget is going to be to everyone's benefit in this province, and certainly that's where municipalities are supportive of the efforts and the work. And we are very appreciative of the sacrifices that each one of the municipalities have made as we've moved towards this goal of a balanced budget.

The long-term benefits that we are going to see as a province by having a balanced budget and by keeping our credit rating, by keeping our borrowing costs low, by spending, you know, an adequate amount on infrastructure — because we are in a significant infrastructure deficit in this province that we've acquired over, probably over a couple of decades of neglect, a term or two or a few terms ago — we have gotten to the point now where we've been able to provide some stability, moving forward, that our municipalities are going to reap the benefits from.

And by keeping interest costs low, by just with the value of the credit rating, it's certainly going to be a benefit to our municipalities moving forward. And we certainly appreciate the sacrifices that they made and helped us get to this point as to all the benefits that we're going to be able to achieve in the future.

Mr. Wotherspoon: — Come on, Minister. I expected more from you than this. You know, it seems like you're baiting me into the financial debate over the last decade. And you know — and I won't go too far into this — but people in the province know that, you know, the Sask Party government inherited a massive surplus of dollars, a rainy day fund, together in excess of over \$2 billion into that 2008 year, and really blew through those dollars quick and didn't balance the budget during the best days, something that municipalities don't have the luxury of ever doing. And they take great pride with ensuring that we have financial stability in the province. And I've served as the Finance critic long before you were here as a very fine MLA, and the record isn't so hot of your government on this front.

But that's not the debate here tonight. The question was about a tax on a tax, a tax on the PST on construction that was imposed on the municipal sector and will rate across the province. And it really, it hurts our economy on many fronts. But it really makes no sense at all when you look at the numbers on the municipal side. Moose Jaw getting \$200,000 more in revenue sharing this year but having to spend \$800,000 on the PST. Who's paying that? That's the good people of Moose Jaw. So this is your government imposing a fairly significant tax directly on the people of Moose Jaw through their property taxes. Same thing in Yorkton, same thing in Regina, same thing in Saskatoon, same thing in Melville. The list goes on.

But my question was just simple and straightforward. Have you,

do you have the data for other municipalities or the sector as a whole? I've shared Yorkton and I've shared Moose Jaw. And certainly we can continue to canvass each one of those municipalities — I can, as the critic — individually. I'm just surprised that as the Municipal Affairs minister that you haven't had that conversation or don't have that information available.

It makes no sense to impose a tax on another level of government, and in this case really hiking up the cost of living for people, ratepayers, across the province in municipalities.

Hon. Mr. Kaeding: — Well we can certainly have a lengthy debate on processes and on policies of governments from the past, but I will put this forward, that residents to date, even with a PST increase, are still far better off than what they were pre-2007 based on PST and based on income tax gathered. So I would say with the very progressive tax plan that we've put forward since 2007 and even with the slight PST increase, residents of this province are still better off financially.

[21:30]

What we have not heard from our municipalities is that they are not able to undertake an infrastructure project based on a PST increase. We have not heard from one municipality that said that we cannot undertake this because of a PST increase. We've not had one project stop and not become completed because of a PST increase.

What we have heard from our municipalities is that they appreciate the efforts that we've put forward to getting to a balanced budget, because they understand the long-term benefit of that and they maybe didn't have that opportunity that they lived through in previous governments. So I would say if you need that information or believe that we've done the research, that's probably best asked a question to the Minister of Finance who . . . I would say you would need to ask the Ministry of Finance if they've done that kind of analysis.

Mr. Wotherspoon: — Certainly we'll follow up there as well. I'm just disappointed that . . . You're the steward. You're the advocate. You're the Minister for Municipal Affairs, for Government Relations, and this is something that's certainly hitting their budgets in a very serious way. And I know you're stating, in sort of an evasive way, that there's no projects that are being halted that you're hearing of. Well, because so many of the projects are so needed in communities across the province.

The problem is you've imposed this tax on municipalities, a tax on a tax that outstrips any marginal benefit from the revenue-sharing adjustment and that goes directly to ratepayers. So that's a tax though, that's not being passed along from the mayor of Yorkton or the mayor of Melville or Regina or Saskatoon. That's a choice of the government.

I'm going to stay out of the debate over '07 and before and now. Certainly there was an exceptional trend of financial prudence and a strong financial position, an unprecedented position that your new government found itself in when it came into office, a surplus that can only be fathomed, I think, by Finance ministers of your government since; and deficits that were run, after deficit after deficit, during really good times. And then of course a billion-dollar tax hike, you know, by way of the PST, a doubling,

if you will, of the take on PST. But I'd like to move along to a few other areas, but certainly that's an important one.

I'd like to get a sense of . . . Of course we have very important work done around disasters in the province. I thank everyone. I see Duane McKay at the back here, and I think of all those incredible people that do the work in the field and I thank them for that work. And I thank the volunteers, that incredible network that we know so well in this province that always rises to the occasion. I know we're dealing with wildfires already by way of grass in the province and I know that lots of preparedness on that front, that's very important.

But I want to get a sense on the PDAP [provincial disaster assistance program], where we're at with PDAP claims right now. Of course these are claims of people or businesses when they've come across a disaster or flood or fire or wind or other circumstances. I'd like to get an update on where we're at with outstanding PDAP claims over the last number of years and where we're at today.

Hon. Mr. Kaeding: — So from 2011 to 2018 we've received 16,420 claims. We have closed 16,262 of those, so 158 claims are still open between 2011 and 2018.

2011, 99 per cent are closed, \$180 million in payments made; 2012, 99 per cent closed, \$9 million in payments made; 2014 — big year — 98 per cent are closed, 82 million in payments made. 2018 events: 35 to approved designations; 33 municipal, zero First Nations; 93 claims, 37 are still active.

A couple of improvements that have been made in PDAP since it was initiated. The deductible for personal claimants now is reduced from 20 per cent to 5 per cent, and the maximum amount of assistance for a residential claim was increased from 160,000 to 240,000.

So overall summary from 2011 and 2018, 99 per cent of all the claims are now closed; \$324 million in payments has been made since 2011.

Mr. Wotherspoon: — And as far as the outstanding . . . So the outstanding claims we have is 158. Is that correct?

Hon. Mr. Kaeding: — That's correct, over the seven-, eight-year window.

A Member: — Let's update it, okay?

Hon. Mr. Kaeding: — Well I'll let Grant update it.

Mr. Hilsenteger: — We just did our weekly report this morning, so we're at 135 active claims right now

The Chair: — Please state your name for *Hansard*.

Mr. Hilsenteger: — Oh, I'm sorry, Grant Hilsenteger. I'm the executive director of PDAP.

Mr. Wotherspoon: — Certainly the timely conclusion of these claims is incredibly important. I know all the officials know this very well and I know there's some complexity to the claims. And it's good to see the vast majority being dealt with, but it would

be good to continue to track that progress through to conclusion on those claims.

I noticed, I think, a couple weeks ago Chief Bobby Cameron of the FSIN spoke out about dollars that First Nations were owed with respect to fires, I believe, from the 2015 year, which was a really challenging year. And I noticed the comment was that they felt they were owed these dollars and that they would be coming from the provincial government in that Ottawa had transferred dollars to Saskatchewan on this front, but they had never received those dollars. Now I know, I think, the response from the ministry was that there wasn't a specific PDAP claim. I don't know the detail on that or the understandings that would have occurred at the time, if there was some other provision of providing that support to the First Nations, but a pretty serious gap in expectation for loss that was incurred and dollars that haven't been received.

Mr. Hilsenteger: — I can speak to that. So the report in the news caught us off guard a little bit at PDAP because the two First Nations that . . . or rather the Ballantyne Cree Nation and the Lac La Ronge First Nation, we didn't have . . . we haven't had a claim from them.

So we went back and did a little digging just to find out exactly where we were. We had contact with Lac La Ronge. We had had contact with them and a couple of other First Nations during 2015, during the wildfires. But none of them actually had a designation with us or actually proceeded with a claim. And I don't know the details, so I shouldn't probably speak, you know. But I do know this. But our understanding speaking to them was that they were going to be getting money directly from the federal government, directly from INAC [Indigenous and Northern Affairs Canada]. Now we don't know whether they did or not, but that's our understanding.

So how the program works, if you'd like me to go through that, how this normally would work?

Mr. Wotherspoon: — I think that some of that's laid out. I very much appreciate the information you've brought forward. I guess so my question to the minister would be, have you dealt directly with Chief Bobby Cameron on this front?

Hon. Mr. Kaeding: — So no, Chief Cameron had never brought that to my attention, and we've talked about a number of issues before. He had never had a conversation with me around this, so it took me off guard as well as I was not aware of that. So immediately got officials to communicate with Chief Cameron and, from what I understand, on Wednesday they'll be having a meeting with him to clarify with FSIN around the parameters of the program and expectations of the program and how it works and the process.

Mr. Wotherspoon: — That's good. And I appreciate you corrected your speech there. I think that's great that officials are going to work with FSIN officials. But I do think it's pretty important, when you're dealing with the Nation or the FSIN, for the leadership, as in the minister to be dealing directly with the chief on this front as well.

So anyways we'll look forward to tracking the progress on this front. We were concerned to see this story break and the concern

identified. So we'll leave it in your hands right now, but I would urge, as officials work directly with officials, it's very important to have that relationship directly with Chief Cameron as well.

I'm interested in just getting a bit of a breakdown in the dollars that are allocated for the SPSA, the Saskatchewan Public Safety Agency. Obviously this agency's taking on very important work within the province. I think there's \$500,000 that's allocated there, and I'd just like a bit of a breakdown around funding that's allocated to wildfire, fire safety, and emergency services.

Hon. Mr. Kaeding: — So I believe your question was around the \$500,000 that's allocated. And what that's for is to acquire a CEO [chief executive officer], an executive director, and a bit of admin support to fulfill those roles permanently. Right now they're being very capably served by my DM [deputy minister] and others. But what we want to do is provide some permanency to a couple of those executive positions to be able to take this on and devote 100 per cent of their time towards that. So that's what the initial 500,000 is allocated to, and we're hoping to fill those positions by mid-summer.

Mr. Wotherspoon: — So the agency, it's operational right now? Or when will it be operational?

Hon. Mr. Kaeding: — So it's operating as an entity right now, but again with responsibilities, you know, shared part time with services now. Greg, I'm going to let you maybe speak to kind of the role that you're playing and what some of your attentions are and where we're at right now.

Mr. Miller: — Greg Miller, deputy minister. So the Saskatchewan Public Safety Agency stood up in 2017 to take on the responsibility for emergency communications, 911. I came into the agency at that time. The recent expansion really takes elements of Government Relations and then Emergency Management, and from Environment, the wildfire management into the purview of this core agency of public safety.

Right now I have the privilege of being the president as well as the deputy minister here at GR. And we're working right now on, as the minister has said, on staffing out a permanent president to the organization to shepherd the organization through this time of expansion.

[21:45]

Mr. Wotherspoon: — Well it's certainly such an important role to the province so we wish you well with the project. Certainly people depend on it. Lives depend on it. Communities depend on it. We're in that season again where, you know, fire risks are real. Flooding risks may emerge. You know, drought is, I guess, what we're maybe experiencing; right now wind. Of course we can go through the whole list.

Around emergency communication, I'd like a little bit of an update at where the province is at in communicating emergencies to the province and dealing with matters like evacuation.

Hon. Mr. Kaeding: — So I think again I'm going to defer this a little bit to Greg with some of the initiatives that we've got going on there. And then I think certainly the expert we've got in that area is with Duane McKay. So I think I'm going to let them

provide you some background.

Mr. Miller: — So as I've described it, the agency's expanding and my role as president right now is to make sure that the front-line service delivery in terms of wildfire and the flooding season are protected. So we're focusing on the corporate entity right now.

In terms of the communication, there'll be no change this year for the province of Saskatchewan. So those folks that had communication channels into wildfire, they're still in place and will be in place throughout the wildfire season into November of this year so that we ensure absolutely that the good public service that has been provided continues to be provided during that transition time. And I guess I'll get Duane to talk a little bit more about the specifics with respect to the communication, which is critically important.

Mr. McKay: — Duane McKay, assistant deputy minister and fire commissioner for Government Relations. As you had mentioned, every year we look at the season and try and determine what are the risks. We have been fairly diligent at that since 2015, when we recognized that when risks are not clearly identified that these things can have significant impact. And certainly over the last eight or nine years, the frequency and the severity of these events are certainly impacting people. And so we have started to move towards sort of looking at these risks, whatever they might be, both in terms of what we see today and then, as you had mentioned earlier, what could possibly occur.

This year is different than what we've seen in the past. There has been a good snowpack but we're still in sort of a drought condition, specifically in the South, and seeing significant increase in the number of fires that our volunteer fire services and career fire services are responding to over the last week or so. And without precipitation forecast in . . . Currently this has become a significant risk to the province. Certainly the winds that we traditionally will see can take these fires, as we saw in 2017 in the Burstall area, and have devastating impacts on communities and of course industry in those particular areas.

One thing that we have set up obviously is a way to manage that. And we just established in the last year a new group within emergency management called the intelligence and situation awareness team. And this group gathers information from all of the different sources, whether it's Environment Canada or wildfire or industry or whatever it might be, and establishes a risk monitor that looks at the risk on a weekly basis.

So a report comes out to the affected ministries on Thursday and then one on Tuesday each week to have a look at what's going into the weekend. This is typically when things get very difficult. And of course then it looks at what are we going to face in that week. That has really given us a good idea as to where those risks occur. And this province, as you know, is very, very big and we have many weather patterns that exist throughout the province.

So in the North right now, there is precipitation and obviously the melt isn't completed in the North. So wildfires in the North are not growing as we might have seen in other years, so the risk is quite low. But certainly in the South we're not seeing that. And so what this group will allow us to do now is to measure that risk and then to move, either educate and inform local response

organizations like fire services or municipalities, but also we're starting to move equipment into particular areas where we will need to be quicker on our response.

And so that's the activity that we're facing now, notwithstanding the fact that this could all change with one major event, either plow winds, tornadoes, spring rains, whatever it might be. So we've been doing this, unfortunately, for a long time and so we have a pattern in place and we're starting to move stuff around to make sure that we can meet those requirements with the expectation that municipalities will do their part as well.

Mr. Wotherspoon: — And can you speak specifically to the types of, like what the plan is to communicate in circumstances of emergency and around evacuation?

Mr. McKay: — Certainly. So in 2015, we did see . . . We did a review of that in 2016, and communications was a significant issue. This is part of why we're looking at the agency. It gives us a common picture in terms of the information coming out. So that will be one of the things that we'll want to achieve there.

Specifically on evacuations, these are local decisions. And over the last few years or since 2015, we started moving the information more locally. So we would take the risk analysis that we have, polling from all of the different organizations, and make sure that local leaders are fully appraised of the risks so that they can make these decisions. Certainly that includes Health and Social Services, Highways because of the corridors, critical infrastructure on the government side. But on the other side we work more closely with Indigenous organizations like Prince Albert Grand Council's First Nations emergency management group. They're integrated with us in making sure they have the information necessary.

Unfortunately First Nations are sometimes impacted by this, certainly in the North. And so getting the information into their organization and allowing that organization to be supported so it isn't us doing all of that work is a way that they can build capacity and have the benefit of all of the work or the central coordination that the province has as well.

So in the event of emergency evacuations that might occur, we certainly have the SaskAlert system and an app that goes with that. Although many people don't have the app on, they will certainly get the alert because we can push that technology through the cellular system. But we use that to assist in those critical situations as well.

Mr. Wotherspoon: — Thank you. Is there an update planned this year for flood risk maps across the province?

Hon. Mr. Kaeding: — So on a local basis — and I'm not sure how often they update; I believe monthly — Water Security Agency is providing us on a regular basis kind of an update as to where we're at in the province for flood expectation. I believe right now we're probably at a below-normal expectation.

On a little bigger scale, we've got three flood mapping projects in the province. And I'm not sure if that's what you were referring to as well, but they're all federally funded: Corman Park, Saskatoon, and Prince Albert. And two of them are for flood mapping, just to update their urban flood maps and allows

them to design standards for storm water infrastructure designs, and then with P.A. actually the completed river hydraulics model and update flood mapping for the North Saskatchewan and Spruce River. And those I believe are no longer available, so we're just waiting for completion of those projects.

Mr. Wotherspoon: — Thanks for that information. And I'm just cognizant of the time that we have. I have lots of areas I want to touch on. Thank you so much for the responses there.

I guess the one area I want to get a response on is Quill lakes. Obviously, or I suspect the pressure's alleviated by the drought that we've been experiencing. The risk is still very real. Certainly the water rose at an alarming rate for a number of years. You know, certainly we have to do more than cross our fingers and hope on this front. I guess my question to the minister is, what's the plan to address this very real risk that could cause a lot of devastation?

Hon. Mr. Kaeding: — So what I understand is that Water Security Agency has applied to the federal government under the DMAF [Disaster Mitigation and Adaptation Fund] submissions and they're awaiting to get some kind of reply from the federal government as to what their submission is . . . has any value or merit to the federal government. So in regards to Quill lakes, WSA [Water Security Agency] has kind of taken the lead and taken the initiative around any projects or applications that are going forward there. And probably best direct it to the Environment ministry to get an update on that.

Mr. Wotherspoon: — Okay, we'll do that. It's a place obviously that's posed a risk for a long time and has really left many losing land and many others subject to very real potential of devastation. And so it certainly needs action and leadership by the government.

I'd like to shift just a little bit to around the funding side for municipalities across the province. I know there was anticipation of shared funding when it comes to cannabis revenues, and that was what was built out as an understanding across Canada. And that's something that your government has failed to live up to.

I think that, you know, certainly it's important to share a portion of these revenues with municipalities and it's going to become more difficult to do so, as a government with a budget, as those revenues begin to roll in to the province. So I guess my question is, why weren't dollars shared? And a push to reconsider this because it's important that they receive a proportion of those revenues.

[22:00]

Hon. Mr. Kaeding: — At no point in time had the province of Saskatchewan committed that they would be sharing tax revenue, whether it's sales tax or excise tax revenue, with municipalities. Certainly that was the indication provided by the federal government but we have not signed any agreement. In fact as far as I'm aware, there's only three provinces that have agreed in one way, shape, or form to share some of the tax revenue with municipalities.

The other thing is that we honestly right now can't forecast where we're at for revenues and expenses. We know we've incurred a

significant amount of expenses as a province, and we know that we've provided a significant amount of training to municipalities. Again, you know, Minister Tell through her ministry has provided an awful lot of training to municipalities on analysis, police training. Minister Hargrave through SGI [Saskatchewan Government Insurance] has done a lot of work with impaired driving and training and analysis through there.

We have asked on a number of occasions for municipalities to provide us some direct expenses that they've incurred on cannabis, cannabis registration, and as yet we have yet to receive any breakdown, any cost analysis as to what municipalities have incurred. And ultimately at this point PST that's derived on cannabis sales will be shared through municipal revenue sharing.

Mr. Wotherspoon: — Anyways the push is there. The principle of the program was, you know, announced federally in the intention to support municipalities who were certainly facing costs and enforcement duties on this front. And it's important to municipalities. It's something that I know our urban municipalities have spoke to specifically, and it's going to be harder to provide that share once your government spends sort of every last dollar that's coming in there. So I would urge consideration of getting that proportional share in place sooner than later, and certainly the dollars are valued by municipalities.

I'm interested in a bit of an update where the ministry is at in hearing from municipalities who really feel shut in or shut out by way of the elimination of STC [Saskatchewan Transportation Company]. And I know certainly many municipalities identify this as a concern across the province.

I think of folks like St. Walburg, who at the SUMA convention put the question directly to you, who had shared that they've put together a service where they were a shuttle of sorts for seniors and people living with disabilities. But they were sharing that it really was expensive to do by themselves and it was something that was going to be hard for them to sustain. And I know you as the minister that day said this is something you would consider providing funding for.

So I guess the question is, where are you at on the consideration for communities like St. Walburg and many other communities across the province by way of funding to support intercity transit or some sort of replacement, a public replacement of STC?

Hon. Mr. Kaeding: — So I think what's interesting to note is that . . . And again we can certainly go through the debate on STC; you know, as it was wound down, was only supplying transportation to maybe 50 per cent of the communities in the province at that point.

But you know, we've seen a proliferation of private companies now trying to fill some of the routes. We talked about transportation for people with disabilities. We've increased the capital funding to acquire up to five more, municipalities may be able to acquire up to five more buses on the total allocation. I think that gets us up to maybe 15 now that municipalities have an opportunity to take advantage of.

You know, in surveying our office, we have actually had no inquiries apart from St. Walburg being the only one that's actually brought it to our attention. Beyond that we have just had

no other inquiries to fill or even offer some kind of alternative to that service.

Mr. Wotherspoon: — Fair enough. I'll leave it there. This was an important service to the province. And of course it was impossible to connect every community in the province. So it was a vast network, an artery that connected this vast province and allowed somebody whose community might not be directly on the line the ability to get over onto a route that can connect them back to people. And I'm disappointed to hear, I guess, that the minister hasn't heard these concerns. We're hearing that from many municipalities. Leadership is expressing that as well as residents and people throughout the communities.

And we know the new piecemeal system where the government's doling out significant dollars for private taxis to get folks from places like Yorkton to Saskatoon — to the tune of thousands of dollars, for health appointments or transporting around books and health products and all the other challenges — come at a real cost to the government as well. So very questionable whether this ever saved a dollar, but certainly did shut out a whole bunch of communities.

I'd like to just shift to a very important area for so many rural municipalities, and that's the landfill regulations. I think landfill regulations have been rightly called out as outdated and are really in need of overhaul. This is a challenge for many of our rural residents and farms and businesses that are within these rural municipalities, a real challenge for rural municipalities. They've done a fairly good study on this front and have pushed forward a position paper. Where are you at as a government in taking action and working with SARM to ensure some consistent, fair regulations around landfills?

Hon. Mr. Kaeding: — Well certainly the regulations around landfill, landfill management, is a question best left for the Ministry of Environment. But a few things that we can talk about that GR has a relationship with, with landfills is certainly, I think everyone's heard us talk about regional co-operation. And certainly regional landfills would fit into that area that we would certainly encourage municipalities to work together towards a common goal, and regional landfill would be one.

We're looking at landfills, landfill expansion, and perhaps even decommissioning may be qualifying under the new bilateral agreement or the ICIP [Investing in Canada infrastructure plan] program. So it would certainly encourage municipalities to complete their expression of interest through that area. Those would be a couple of the areas of influence that we would have around landfills, but certainly the regulatory side is best left with the Ministry of Environment.

Mr. Wotherspoon: — It really creates a real financial hardship and a planning hardship for your portfolio, for municipalities across the province. Hearing from, you know, meeting with SARM, hearing from many RMs, meeting with many RMs across the province, this is an area that clarity and change to the regulations is really important. When you look at RMs, this is a significant undertaking, and they need clarity before you're going to decommission or plan a landfill or co-operate, as you suggest as well.

So it's just critical, I believe, that as Minister for Municipal

Affairs, for Government Relations, that you take this project on as well, working with your cabinet colleagues and coming to a solution, because it's really hard for municipalities to undertake their planning in a prudent way without having clarity on this front.

Have you also heard concerns around, and I know this again isn't your direct portfolio, the environmental protection officers? A real challenge in retaining those officers and a lot of turnaround, and then the challenge that that poses for RMs as they're dealing with landfill regulations.

Hon. Mr. Kaeding: — I do know that SARM was very actively engaged in a consultation process that I believe the Ministry of Environment had commissioned. And I know they undertook a lot of those questions and certainly covered a lot of those areas in their consultation process. And I believe that process has been completed; I know SARM took a very active role in that consultation process. So again I'm not privy to what the results of that consultation process were, but again certainly understand that that's a concern with our municipalities and certainly a common goal that we can all work towards.

Mr. Wotherspoon: — This also touches into the environment as well, but again it's an important area for rural municipalities across the province as well as matters of water management and making sure that we're protecting ourselves and flow, and that's the beaver control programs.

And I know through time with SARM and hearing again from many rural municipalities and recognizing the cost on this front, this is something that is an important program. But the support for it I think you could argue is inadequate at the provincial level. And this is falling heavily onto the rural municipalities at this time, I think to the tune of about \$450,000. Do you have any plans to work with the rural municipalities to address this gap?

Hon. Mr. Kaeding: — Well I think municipalities have a lot of varmints that they've got to try and get under control, and beavers would certainly be one of them. But certainly we've heard that at SARM convention and seen resolutions, I believe, that SARM has put forward in the past. So I would expect that they have undertaken a lengthy conversation with Environment to see what their response is in that area, as they've provided funds in the past for that.

[22:15]

Mr. Wotherspoon: — So I think the problem right now is that there's support in the program but insufficient support. So maybe check back in with SARM and as well with your, you know, colleague that's responsible for the Environment. But right now I think RMs are left holding the bag on this front and they're playing a very important role for the province here. So I'd urge attention to the file.

I'm interested in the gas tax program, and how many projects were funded under the gas tax program last year and what the plan is this year.

Hon. Mr. Kaeding: — So the Gas Tax Fund allocation in 2019-20 — and just for everyone on the committee — is strictly a flow-through. None of that is derived through the province.

Allocation from the feds this year was 64.55, so that's being provided to municipalities in 2019-20. And what we've got is 408 projects that are active as of February 28th, 2019. And what we've seen since 2005 is over 3,600 projects had been approved under the Gas Tax Fund.

Mr. Wotherspoon: — Thanks for that information. Now what about the carbon tax? What have you assessed the cost of the carbon tax at for municipalities, and are there any revenues that will be provided back to them from the federal government?

Hon. Mr. Kaeding: — So what we do know is that SARM has some significant issues with the carbon tax. SUMA certainly has issues with the carbon tax. In fact, probably the biggest issue is that they can't quantify it at this point in time. They don't know. They don't know what it's going to cost them. They don't know if there's any cost recovery, if there is some extractions taken out of it. They honestly don't know and that's why they are very much aligned with our position on this, that we just believe it is not a fair way to go and not sure that it's going to achieve any goals apart from increased costs to all municipalities. So I guess, just curious what you may have found as you're travelling around having conversations with municipalities.

Mr. Wotherspoon: — For sure. I mean a federally imposed, economy-wide carbon tax is a real concern. And it should be factored in as well when, you know, we're looking at the budget year ahead, and I guess I place it in context then. We see a marginal increase to revenue sharing, but then that's more than being eaten up by the PST of this government that's being placed onto municipalities.

And then of course there's this question of how big will and what's the impact of the carbon tax. We know of some of the other revenues that have identified, that have been pulled away as well. So it leaves municipalities in a tight position and in an uncertain position. And I am surprised and disappointed that your government hasn't planned for the current reality, which is this imposition of this economy-wide carbon tax that is of concern to people. And we see that, you know, we haven't seen it planned in on the financial side, on the economic side, when it comes to health, when it comes to education buildings, when it comes to municipalities.

But I just wanted to see if there was some assessment on this front, and it seems that there's not a whole lot here as well. And no one, you know . . . Certainly there's a lot of concern with this tax, but it's a current reality that folks are paying, whether you're going to be a long-term care facility or a municipality. And I think as a government you have to plan for the realities that the people are facing. So disappointed, did not see more assessment of what those impacts are in the short term anyways.

I'd like to shift attention . . . Well, I'll ask one quick question because I told the folks I met with today I would. From the village of Punnichy today, they're interested in whether or not there could be consideration to improve or to establish some support for municipalities that are working to . . . that have taken over derelict buildings that haven't been paying taxes, and so they're taken on by the community. But the challenge then is they're forgoing property taxes, of course, and they have to then go and tear the building down and reclaim and clean up the lot.

And the cost is significant. Punnichy, I think last year, did this with 10 properties and . . . five properties, sorry, to the tune of \$50,000, the cost of the demolition and then the cost to the landfill both being very significant. They're wondering if there's a program that could be considered by your government to assist municipalities to take on this work that's important to the community.

Hon. Mr. Kaeding: — Well certainly I don't believe Punnichy's alone in this situation, and certainly understanding that this is a province-wide problem. I believe SARM had put forward a resolution as well that we've just provided a response to as well, but I would encourage Punnichy that . . . give us a call. We would certainly entertain a discussion with them and just see what we might be able to do to help them go forward.

Mr. Wotherspoon: — No, thanks for that and it is a, you know, a concern for a lot of municipalities and they want to do their best to make sure their communities are in good stead.

Instead of them calling you — so I've brought it to you, you have officials that are here — could you make sure that someone reaches out to them directly and checks in with them to see if there's some practical supports or a program that could be established?

Hon. Mr. Kaeding: — Certainly we can do that.

Mr. Wotherspoon: — Thank you very much. I'm interested in understanding how the province transfers funding to municipalities that are not in compliance with the municipal Act or the northern municipal Act. How is this handled?

Hon. Mr. Kaeding: — Certainly realizing, you know, communities across the province, municipalities sometimes struggle with capacity. So that's certainly one area that we're always endeavouring to try and assist municipalities in building that and building better relationships that way.

Part of the new agreement within municipal revenue sharing is the targeted sector support, where we're taking one and a half million dollars off of the initial allocation and putting it into a fund called the targeted sector support that . . . Just building the parameters around that now and involving stakeholders in all segments of the municipal revenue sharing but to help with communities build capacity.

That's one of the factors that we're using around the targeted sector support is helping communities with governance as well as regional co-operation and certainly building around building capacity within communities. You know, whether it may be developing, you know, better governance, governance models around their councils, but also just helping them, you know, build capacity around the various requirements that we've got and that we're asking of them to meet compliance.

You know, certainly we don't want to be in the business of beating municipalities into compliance. We certainly want to work with them in a coordinated, co-operative effort. We've got a very strong team of municipal advisers that provide all kinds of advisory services to councils and leadership and helping with that, as well as our peer network.

And that's just a joint effort put forward by SARM, SUMA, and Government Relations, just utilizing the experiences of those that have been before, various councils, you know, providing them guidance and direction on some of the issues that they may have in front of them that they're having difficulty dealing with.

So those are some of the areas that we're hoping to help build better capacity within our municipal sectors.

Mr. Wotherspoon: — I guess, you know, Pinehouse stands out as, you know, like sort of a prime example where the council costs exceed the municipal tax levy that's in place. And you know, there's a lot of the issues that we've canvassed on the floor of the Assembly over the last period of time. I guess my question would be, has the ministry tightened up on its protocols working with municipalities that aren't compliant?

[22:30]

Hon. Mr. Kaeding: — What you'll find is that we're always endeavouring to work with the municipalities to try and understand where they may have a weakness in governance, in compliance to various issues, whether it's preparing financial statements. And that's why, like I say, and I'll continue to talk about our municipal advisory services being able to provide that kind of guidance and support with the municipal sector.

I mean it's very rare that we've got to take drastic steps like we did with Pinehouse. I mean that ultimately is the culmination of a municipality that just said, you know what, we're just not interested in compliance. So we had to take that measure, that step to bring them into compliance. But what you'll find is the vast majority of our municipalities, even though they may struggle, they will reach out and they will ask for guidance and help and assistance, and we will do whatever we can to help them with any of their weaknesses or shortfalls.

Mr. Wotherspoon: — Yes, without a doubt the vast majority of municipalities are, you know, doing everything they can to be compliant and there's the odd exception. With respect to Pinehouse, I think the ministry, by way of FOIs [freedom of information], the ministry was aware of very serious concerns by early 2018. Of course there was recognition of concerns and problems that had been brought forward long before that. What took so long to initiate the investigation that is now occurring?

Hon. Mr. Kaeding: — What we've just talked about is that, again understanding municipalities are struggling with capacity issues so you're going to give them the benefit of the doubt and try and provide as much guidance and direction as possible. And ultimately where we ended up with was that we understood that the municipality was not interested in compliance. And when it came to that point then we needed to intervene and take more significant measures and ultimately that's where we called for the inspection.

Mr. Wotherspoon: — We'll have times to canvass this both on the floor or in other places, but it's important to have some answers here. I know we'd like to see the report, the investigator's report that's been made available, I guess, to the media. I think knowing that, it's important for that to be provided to the public and then move forward with the inquiry. To date you've stated that you want to wait till the inquiry's concluded to

provide that publicly. But knowing that that's been provided to the media, does that cause you some consideration that that should be shared publicly?

Hon. Mr. Kaeding: — Right now that document is still considered to be a confidential document, and we have stated a number of times that we've taken one more step to ask for an inquiry, and until that inquiry is complete we are not prepared to release any of the documents, any of the pertinent documents to the public. We have stated and we've been on record saying that once the inquiry is complete and we've been able to have a discussion with our officials and Justice officials, then we are willing and ready to produce the documents.

Mr. Wotherspoon: — There's been many in the province that have been frustrated with assessments for property taxes, and I know SAMA goes about this work in a very diligent way. It's a big task. I know others are involved in this work as well. Municipalities take it seriously.

One of the challenges in an economy like ours, in a province like ours, is significant changes within the economy that have a dramatic impact on valuations. And I think of the commercial ones and certainly as well the residential ones. But the four-year period of time can really cause a dramatic impact for a business, for a property tax payer, which has a real impact for that property tax payer.

I know the push has been for a long time to have a more timely assessment, whether that's every year or every second year, but certainly an improvement to the every four years as we have it now. Where's the ministry at on this front? It's a position certainly that many have advocated for a long time, including myself.

Hon. Mr. Kaeding: — So we've done some assessments of actually decreasing the time frame between assessments. And in the review we found as a minimum it's going to cost another an estimated \$2.7 million to shorten it to a two-year window. You know, the other thing we found is that really, in a very active real estate market, you will find some benefits on a shorter re-evaluation cycle. But on a more flat or level real estate market, there really is not a significant benefit to changing it to a shorter window. I'm going to let Norm, I think, kind of expand on that a little bit.

Mr. Magnin: — Hi, Norm Magnin, director of property assessment and taxation. The cycle has been debated over for a number of years. The people that typically support it are in the city of Saskatoon, for sure — that's the biggest one that we hear from — the city of Regina, and from the chamber of commerce, for instance, and the association of realtors.

On the opposite side though, from SARM and certainly your smaller urbans and towns and villages, they support a longer cycle. They actually support the four-year cycle and probably would be happy if it was extended further. The reality is is that right now the assessment service providers are barely keeping up with a four-year cycle.

Human resources is becoming a huge issue. If you talk to the city of Regina officials, city of Saskatoon officials, they're losing all their staff, the people that are at the higher end. They're all

retiring and they're having a tough time filling those vacancies. If you went to a shorter cycle, not only would you have those changes occurring, now they would need more staff to try to keep up with their shorter cycle. So there's a huge human resource issue. There is not enough support concentrated to do it.

There was talk about splitting the cycle between cities, for instance, and rurals. That's not possible because of the way we fund education. Education, we determine mill rates on a provincial basis. Unless somebody is willing to decide how much the city of Saskatoon, the city of Regina should pay for it, you would never be able to set up a two-tiered system, plus any other programs that are based off of assessments and systems.

So it's not that it hasn't been talked about or assessed about, it's just the economic reality of what the pressure in which I'm in has. It's just nobody wants to grow up and become an assessment appraiser. Sorry, but if that was the case and there were a bunch of us, you know, we probably could start even talking about it, but it's going the opposite way. You know, they're really struggling to hire positions.

Mr. Wotherspoon: — Thanks for the bit of context there. I know we've run out of time. I have heard folks certainly through the rural parts as well, and I can't speak for all but I know for example if you're a hotel close to the energy sector and you were assessed based on kind of 100 per cent occupancy for a number of years, but then you were left vacant or half vacant or more for the number of years after that but you're paying the rates, the taxation based off the period of time where the boom was on, there's questions of fairness that exist there. But I'll leave that there.

And I know I've told the Chair I would just say thanks to folks. So thanks to the minister for his time tonight and certainly to all the officials that are here in the room and all the officials across the province and all the partners that work in this very important sector. So thank you very much.

The Chair: — Okay, while seeing no further questions, we'll adjourn our consideration of estimates for the Ministry of Government Relations and that concludes our business for this evening. Minister, do you have any closing comments?

Hon. Mr. Kaeding: — No. I think I would again like to thank all the officials that joined me tonight. We certainly did far better, I think, than the Calgary Flames did from what I understand. And again like to express my appreciation for the committee and their attention that they had tonight and appreciate everyone's attention.

The Chair: — Well thank you, Minister. I'll now ask a member to move a motion of adjournment. Mr. Francis so moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. This committee stands adjourned to the call of the Chair.

[The committee adjourned at 22:43.]