



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

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**STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND JUSTICE**

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[The committee met at 15:32.]

**Chair B. McLeod:** — Welcome to the Standing Committee on Intergovernmental Affairs and Justice. My name is Blaine McLeod. I'll be the Chair for this meeting today. And with us today is MLA [Member of the Legislative Assembly] Brad Crassweller, MLA Jamie Martens, and MLA Megan Patterson on my right. And on my left we have MLA Nicole Sarauer who is substituting for Leroy Laliberte today; and also with us, MLA Jacqueline Roy. And thank you and welcome to this committee meeting today.

Today we are considering four bills, and afterwards we will be voting on the committee resolutions.

**Bill No. 33 — *The Credit Union Amendment Act, 2025***

**Clause 1**

**Chair B. McLeod:** — We'll first consider Bill No. 33, *The Credit Union Amendment Act, 2025* beginning with the consideration of clause 1, short title. Now, Minister McLeod, welcome. You are here with your officials, and I ask that the officials would introduce themselves before they speak for the first time. And as always, do not touch the microphones. The *Hansard* operator will turn them on for you when you speak.

Minister, please introduce your officials and make your opening comments, please.

**Hon. Tim McLeod:** — Well thank you and good afternoon, Mr. Chair, and committee members. Joining me at the table to my far left, we have Cory Peters, the executive director, consumer credit division at the FCAA [Financial and Consumer Affairs Authority of Saskatchewan]. To my immediate left, Haley Irwin, legal counsel with the FCAA. And to my right, Darca Tkach, the Crown counsel, legislative services, Ministry of Justice and Attorney General.

Mr. Chair, I am pleased to offer some opening remarks for Bill No. 33, *The Credit Union Amendment Act, 2025*. This is a bill that will modernize certain portions of *The Credit Union Act* of 1998. In both 2020 and 2023, the Canadian Credit Union Association consulted the CEOs [chief executive officer] and general managers of Saskatchewan credit unions and compiled a list of priorities and concerns for possible amendments to the Act.

This bill will do several things. The first, it amends the threshold required for members to pass a special resolution from the current three-quarters to two-thirds to align with all other provinces, except for a vote for dissolution in Quebec. Secondly, it authorizes certain responsibilities to be delegated by a credit union board to employees.

Thirdly, provides a definition for the term “professional adviser” to remove ambiguity about the eligibility for an individual to be on a credit union’s board of directors. It also creates future flexibility to allow regulations to prescribe certain requirements or timeframes, and finally it clarifies how deposits are paid out when a membership is terminated.

Additionally, credit unions have requested changes to the

membership termination process, as they have found the current Act to be unclear. Amendments in this bill will revise the member termination and appeal processes to clarify requirements. It will allow the board of the credit union in certain situations to direct the terminated member’s form of submissions to be made during an appeal to the members of the credit union. And finally, it authorizes the board to replace the appeal to the membership with an appeal to the court if the board reasonably believes that an appeal to the membership cannot be done in any form without violating certain obligations of the credit union or an order of the court.

Mr. Chair, with those opening remarks, I’m welcoming questions respecting Bill 33, *The Credit Union Amendment Act, 2025*.

**Chair B. McLeod:** — Thank you, Minister. I will now open the floor to questions, and I recognize MLA Sarauer.

**Nicole Sarauer:** — Thank you, Mr. Chair. And thank you, Minister, for your opening comments. In your opening statement you mentioned that the provisions in this bill are a result of consultations that the Canadian Credit Union Association did with their members. In those consultations they had a list of priorities that had been presented to the ministry. Were all of the CCUA’s [Canadian Credit Union Association] priorities implemented in this bill?

**Hon. Tim McLeod:** — Thanks for the question. Just wanted to confer with the team about the number of recommendations that were made. There were quite a number of them, and most of them were accepted. There were several that were not for a variety of reasons. I’m going to ask my excellent team to explain some of those reasons in greater detail, starting first with Darca.

**Darca Tkach:** — So Darca Tkach, Ministry of Justice and Attorney General. So yes, the top three recommendations that CCUA brought forward were integrated. But for some of the other requests, we did not integrate them into the bill for various reasons. So for example, some of those items were just outside the scope of the targeted amendments we wanted to make in this bill.

One reason was because some of the items can be addressed in the regulations when those are developed. Some of them would require further consultation with a broader spectrum of stakeholders. Some of them we felt it would be best if we left it to the democratic member process of credit unions.

And some were not brought forward in this bill for specific reasons. For example, there was a request that the bill be reviewed every 10 years and the regs every five years, but that’s not something that we typically build into legislation. So those are the main reasons why not every request made it into this set of targeted amendments.

**Nicole Sarauer:** — Are you able to more clearly outline for the committee the requests that were made, and then the decision of the ministry as to why that request was not granted?

**Darca Tkach:** — I could outline some of those.

**Nicole Sarauer:** — Thank you.

**Darca Tkach:** — So let's see. Some of the things that can be addressed in the regulations are that there is currently a regulation-making authority in the Act to allow for exemptions. And there was a request concerning exempting credit unions from the current Act requirements that must be met before issuing a guarantee regarding members' credit card limit. So if an exemption is required for that, that could be reviewed when the regs are developed.

Another request that could be integrated into the regs is concerns allowing credit unions to repay term deposits within one year after a membership has been terminated. And again that one-year period could be reviewed for how appropriate it is when the regs are being developed.

Some of the amendments that require a greater consultation would be, for example, allowing credit unions to sell certain types of insurance. That would require looking at CCUA's recommendation on that topic. Adding provisions related to unclaimed safety deposit boxes, that's also outside the scope of what we're looking at for this bill. Am I missing . . . keep going, okay. They'll tell me if I've missed any.

Providing an expedited process to allow a provincial credit union to sell its assets to a federal CU [credit union]. That's also something we'd have to look at because it might require amendments to the *Bank Act*, which is federal.

So not every request could be accommodated. Some of the things that are better left to the democratic member process is whether or not it's permissible to override member-approved bylaws, to expand access to recruitment of directors. That's something that CUs can propose revisions to in their bylaws.

Authorizing the regulator to remove a director is also something that the credit unions need to self-govern. Allowing a credit union board to appoint an auditor. Again, it was felt that that was appropriate for the members to determine themselves.

Allowing credit unions to exercise discretion regarding the redemption or repayment of deposits instead of the board. It was felt that it was appropriate for the board to make those kind of decisions.

And then we had some requests that did not make it into this bill for specific reasons, like for example, authorizing credit unions' senior management to make membership termination decisions. We've built into this bill additional requirements surrounding member terminations so that any safety concerns could be addressed. So we did not feel that that needed to be included in this bill.

There was a request to allow members to withdraw from the membership of a credit union at any time by giving verbal notice. We did integrate that request, but we added some additional requirements that the credit union follow up with them in writing to ensure that that verbal withdrawal was confirmed in writing.

[15:45]

Let's see. There was a request concerning the requirement to obtain CUDGC's approval, that's the Credit Union Deposit Guarantee Corporation, to require CUDGC's approval if a

patronage refund exceeded one year's profits. But it was felt that it's important that CUDGC maintain regulatory oversight over these kind of events. So I think that covers most of the requests, and why and how they were dealt with.

**Nicole Sarauer:** — Thank you. I appreciate you laying it out. Let's talk specifically about one of the ones you had mentioned, the membership termination provisions. Now this bill has different provisions that what was requested by the CCUA. Can you explain why?

**Haley Irwin:** — Haley Irwin, legal counsel, Financial and Consumer Affairs Authority. So the current Act states that membership termination decisions are first made by the board with an appeal to the members of the credit union. This bill maintained that structure.

The request from CCUA was to instead have the CEO or the credit union make the initial termination decision with the appeal going to the board. This bill, while maintaining the current structure that's in the current credit union Act, also provides safeguards for some of the concerns that were raised by CCUA — chief among them issues related to safety of members and employees of credit unions — while also maintaining that the members make the final decision with respect to a membership termination, which is an important core concept of the credit union model.

**Nicole Sarauer:** — Thank you. The CCUA and several of the credit unions that it represents were fairly clear in their request for this change as you have described it, and have expressed — through I believe multiple letters to the ministry — their reasons why, particularly around safety. Could the ministry explain why they feel that this recommended amendment is sufficient to address their needs?

**Hon. Tim McLeod:** — Yeah, I'm happy to do that. I have had a number of very positive conversations with them and heard their concerns. From the ministry's perspective, we need to strike a balance to make sure that we're protecting the members' interests and not just management's interests. And certainly the concerns that were brought forward were around if the behaviour of a certain member was warranting the termination, or at least the termination discussion, then they wanted to ensure that there were safety precautions in place.

We didn't feel that the appropriate way to address those was to remove the voice of the membership in the appeal process. We can, and we had many conversations about this, point to a variety of other mechanisms that allow for those safety concerns to be addressed.

An example is the virtual attendance at an appeal. If a member is being terminated and they want to appeal but there's a safety concern about their attendance, they can attend virtually. Alternatively, the appeal could go to a court and the court could hear the appeal. There are a variety of mechanisms, and we've built them into this legislation to address those concerns without removing the voice of the membership. And as it was stated by Haley, really a core principle of the credit union model being that the voice of the membership should be respected.

**Nicole Sarauer:** — Could the ministry explain why they feel

they have a better understanding of the credit union model and safety concerns of these credit unions than CCUA and the members that they represent?

**Hon. Tim McLeod:** — Well I wouldn't frame it that we know better. As I said earlier, we're striking a balance between respecting the voice of the members and the membership which currently exists, and we're addressing the concern that was brought forward, particularly around termination of membership, by striking that balance, respecting both the concern that was brought forward but as well the voice of the membership being included in the appeal process.

**Nicole Sarauer:** — Could the ministry explain why credit unions shouldn't have the same power over terminating memberships than traditional banks?

**Cory Peters:** — Cory Peters, executive director with the consumer credit division of the FCAA. Appreciate the question. One of the complicating factors is credit unions refer to their customers as members, and *The Credit Union Act* contemplates members. Members under *The Credit Union Act* are the owners, as a co-operative. So to the question of what would a bank do, well the verb I believe is "debank," where the bank would close accounts, cease lines of credit, look to not renew mortgages.

And these are tools that credit unions are doing now to minimize the connection with that customer. The member termination has to deal with that customer and their ownership of the credit union's capacity, which banks, with the exception of federal credit unions, are not co-operatives.

**Nicole Sarauer:** — Thank you. I understand that this is of particular concern in smaller centres, smaller credit union branches, smaller membership. Everybody knows each other in a way. There have been, I understand, some safety concerns in some locations in the past and a feeling that they have not been able to keep their staff safe in a way that CIBC [Canadian Imperial Bank of Commerce] could, for example, in terms of limiting access or debanking, as you have said, some members.

I suppose my question is, we have a bill before us. I have a proposed amendment for clause 11, which would replace the presented new provisions on membership termination with the requested provisions. If this amendment doesn't pass today, is the ministry open to continuing conversations on this issue?

**Hon. Tim McLeod:** — Of course always happy to continue the conversations with the CCUA. I would say those conversations are particularly fruitful. Not only do they inform the ministry about the concerns and the work that we do, but to reciprocate, I would say that a lot of the concerns that were brought in the initial meetings with myself and the ministry, the CCUA wasn't necessarily aware of all of the current mechanisms available to it to address some of those concerns.

I think of the example of a section 810 order under the Criminal Code, otherwise known as a peace bond. The CCUA wasn't aware that that was perhaps an option that was available to some of their institutions in the event that there was somebody that was potentially harassing or causing threats to the institution. They have that mechanism available to them, as do all citizens. That was something that they weren't aware of.

So those ongoing conversations certainly inform our work, and we're happy to share back with the CCUA any information that we can that would address the concerns without necessarily stepping on or altering the rights of the membership as a whole.

**Nicole Sarauer:** — Right. You and I both know that peace bonds aren't the easiest things in the world to be able to access.

I have a few things I'm going to read into the record. They're just submissions that have been made and have been requested of me to read in. So I'm going to do that right now. It's with respect to this particular issue.

The first one is a letter from CCUA dated September 19th, 2025, to the CEO of the FCAA, and it was their response to consultation on the modernization of *The Credit Union Act, 1998*. And I'm just going to read the specific part of the letter for the committee's awareness on this particular piece on membership termination and appeals. So it says:

Question 2: clarification of the process for membership termination and appeals. Do you agree with the proposed amendments to clarify and revise the membership termination and appeals processes? Why or why not?

Credit unions are encouraged by the measures being considered to enhance health and safety. The options provided to the credit union board to consider a membership appeal are a positive step to mitigate potential risks to staff and other credit union members. Updates to this part of the legislation will be carefully monitored and may require further iteration. As this submission will be made available to the public, CCUA is taking the opportunity to explain why these amendments to the membership termination process are being considered. Saskatchewan credit unions are owned by their members, and they value their members and their business.

With nearly 513,000 members across the province, membership termination due to extreme circumstances is rare and occurs only after all other remedies have been attempted. Membership termination is an extreme remedy which is required in extreme circumstances.

Being a credit union member requires that the terms of the financial services agreement are adhered to. If a member has not been fulfilling the terms of their financial services agreement, the credit union can refuse to provide those services. The membership is not terminated, but those financial products are discontinued and are no longer available to the member.

Membership termination would only be considered when a definitive action is required to completely sever the business relationship with a member, due to a risk of potential harm to an employee or members.

The health and safety reasons for proposing revisions of the Act with respect to membership termination are significant. As noted in the consultation document, the Government of Saskatchewan requires all Saskatchewan employers to have violence prevention policies in place. Saskatchewan Occupational health and safety recognizes financial services

as a high-risk industry. Credit unions and banks can be the targets of violent robberies, and the front-line staff of our institutions are also vulnerable to harassment, threats, or violence from clients, the credit union members.

While credit unions have implemented policies to protect their staff and other credit union members, structural elements of the governing legislation for credit unions need to be revised to mitigate the risk further. Unfortunately this is a challenge for credit unions in Saskatchewan, across Canada, and internationally. As the national trade association for credit unions, CCUA has received concerns from credit unions in Saskatchewan and across Canada regarding increased threats and/or abusive staff and sometimes board members.

This has been a long-standing challenge for credit unions. However, during the COVID-19 pandemic, front-line staff in essential services, including many of the Saskatchewan credit union sector's approximately 3,000 staff, continued to serve the public to ensure no service disruption. The financial services industry has many staff who are public facing and serve a variety of clients/members. Similar to health care, law enforcement, and the retail sector, there is a notable increase in violence against front-line workers.

Manitoba and Prince Edward Island have amended the credit union legislation to streamline the membership termination process. We are advised that Ontario is also considering similar measures, and federal credit unions in the United States recently received an update to their governing legislation, the *Credit Union Governance Modernization Act*, to tackle the issue and ensure that the safety of staff and other members is at the forefront.

[16:00]

The new measures in the federal credit union legislation in the United States outline the specific circumstances under which membership termination would be considered, including a substantial or repeated violation of the credit union's membership agreement, a substantial or repeated disruption to credit union operations including dangerous or abusive behaviour, fraud, attempted fraud, or conviction of other illegal conduct in relation to the credit union, including the credit union's employees.

The Ombudsman for Banking Services and Investments oversees the dispute resolution process for federally regulated banks as defined in the *Bank Act*, and it seems much more streamlined.

In summary, the proposed amendments are an improvement, and credit unions will carefully monitor their outcomes, however future revisions may be required if the new membership termination process does not mitigate the potential health and safety risks to staff and board directors.

I have two additional letters I've been asked to read into the record. One is from CCUA to the minister dated December 4th, 2025, regarding Bills 30 and 33, *The Credit Union Amendment Act*.

It says:

Dear Minister McLeod,

On behalf of Saskatchewan credit unions and the Canadian Credit Union Association, we appreciate the opportunity to comment on Bill 30-33.

We support the bill's intent to modernize governance and strengthen accountability; however creating more red tape by having a more prescriptive process in the Act and not in the regulations would not improve the membership termination process.

Given that the bill is now at second reading, we respectfully recommend targeted technical amendments to the membership termination and appeal provisions to ensure they are workable in practice while fully aligning with legislative intent, safety, and democratic member control.

As noted in our letter dated May 10, 2024, to former minister of Justice Bronwyn Eyre, we proposed that senior management should be allowed to determine when membership termination would be required to allow a nimble response to protect staff and other members.

Credit unions support an appeal mechanism and are proposing that the appeal be directed to the board and not a meeting of the credit union membership. The board's final review of the appeal should be final. We believe that this streamlined process still includes the co-operative principle of democratic member control, as the board is elected by the membership and represents them.

Under the current draft, membership termination appeals must be heard by the full membership except in cases where the board refers the matter directly to the Court of King's Bench. While well-intentioned, the approach presents challenges related to privacy, safety, and operational feasibility. In practice, cases involving harassment, threatening behaviour, or confidential issues are not well-suited to discussion before a membership meeting.

Unfortunately credit unions have seen increased incidents of members using abusive language, threats of violence, and sexual harassment towards staff. These types of situations require an immediate response from credit union management to ensure workers are not exposed to harassment or violence in the workplace.

Credit unions have implemented policy statements on violence and prevention plans and procedures to investigate incidents of violence in the workplace as required by *The Saskatchewan Employment Act*. A membership meeting is not the appropriate venue for appeals as it may place members in the position of adjudicating highly sensitive or complex matters without appropriate expertise.

In addition to the privacy, safety, and sensitivity concerns noted above, this requirement could also introduce significant administrative burden and increase red tape. Organizing a general membership appeal may require substantial coordination, including legal preparation,

meaning costly and time-consuming court intervention by providing clear internal mechanisms for dispute resolution.

We respectfully request your consideration of these targeted amendments during the committee review stage and would welcome the opportunity to support drafting efforts and regulatory implementation to ensure the appeal process is both fair and workable.

Sincerely, Rob Swallow, director of government relations for Saskatchewan.

And the amendments I'll be proposing are the ones that were being suggested by that letter.

I understand, Minister, you received several letters from different credit unions in support of CCUA's letter. I'm going to read one of them. It's been requested that it be anonymized, so I won't be reading who it was from, but it's dated March 2nd, 2026:

Dear Minister,

Saskatchewan credit unions appreciate the opportunity to provide input on *The Credit Union Amendment Act, 2025*. We also thank you for your February 6th, 2026, response to the Canadian Credit Union Association's December 2025 letter.

We acknowledge your view that the bill as drafted addresses safety concerns through procedural direction, the option to direct appeals to the courts, and by allowing terminations to remain in effect pending appeal where safety risks exist.

However your response did not address the significant administrative, privacy, and operational burdens that arise from requiring membership termination appeals to be heard at a full general meeting nor the challenges this poses for credit unions in delivering services effectively while protecting staff and member safety. These concerns remain central to our request for a more practical and workable framework.

Organizing a general membership appeal requires substantial coordination, including legal preparation, meeting logistics, secure communications, and governance oversight. This is more challenging for credit unions who have members spread out across the province.

Further, this places pressure on staff and board members and diverts resources from operational and strategic priorities. Cases involving harassment, threats, fraud, or other misconduct often include sensitive personal information. Requiring these matters to be presented to the full membership creates material privacy risks and may limit a credit union's ability to comply with federal privacy and anti-money-laundering obligations.

Credit unions are subject to the *Personal Information Protection and Electronic Documents Act*. For example, if a credit union must present evidence at a membership-wide appeal meeting, it cannot disclose more personal information than is strictly necessary. They must also avoid exposing sensitive details — for example, mental health

information, financial hardship, fraud investigations — unless explicitly required by law.

Credit unions are reporting entities under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. For example, if the grounds for termination involve suspected money laundering, fraud, or structuring, the credit union must file a suspicious transaction report, even if the member disputes the termination.

During an appeal, staff cannot disclose the existence of this report to the member or to the membership due to federal prohibitions; thus a membership-level appeal risks revealing information the credit union is federally prohibited from disclosing under the PCMLTFA. Under the proposed Act, membership termination appeals must be heard by the full membership unless the board refers the matter directly to the Court of King's Bench. While well-intentioned, this approach is likely to result in delays and increased costs for the credit union and the member as the appeal makes its way through the court system.

An appeal to the board whose members are democratically elected and better positioned to adjudicate appeals in a timely manner with appropriate confidentiality, consistency, and expertise is a more workable approach and better reflects the modern sophistication of the current credit union system. At a minimum, the bill should allow credit union members to delegate appeals to the board, which could then in turn delegate termination decisions to senior management of the credit union under conditions set out by membership and the board.

We encourage the government to consider modern models such as the state of Maine, which recently updated its credit union legislation. This model recognizes that modern credit unions require flexible tools to address misconduct while preserving due process. This approach balances safety, fairness, and operational practicality and helps ensure that employees and members are protected from dangerous or abusive behaviour. Saskatchewan could take a leadership role in Canada by adopting this type of approach.

We want to be clear that a membership termination will always remain a measure of last resort for credit unions, used only when a business relationship must be fully severed. We remain committed to working with you and your officials on a practical and modern framework that is proportionate, efficient, protective of staff and members, respectful of privacy obligations, and aligned with our co-operative principles.

Board-level appeals maintain traditional member oversight while ensuring decisions are made by those entrusted through democratic election. We respectfully request amendments that allow membership termination appeals to be heard by the board or another delegated body rather than requiring a full general meeting.

My question to you, Minister, is . . . One of the letters I read — CCUA's, I believe — specifically stated that there are other jurisdictions that have implemented the recommendations that they are proposing. I believe they said PEI [Prince Edward

Island] and another one. Could you explain why those jurisdictions implemented these recommendations and our jurisdiction is choosing not to?

**Hon. Tim McLeod:** — Well I think first of all, you addressed I think Prince Edward Island and Maine. I certainly can't speak to those jurisdictions or what they were facing, particularly in the United States.

I will say this. The Government of Saskatchewan and the Ministry of Justice believe that harassment or threats of violence or abusive behaviour are never acceptable in any circumstance. Everyone deserves to feel safe in their workplace. Everyone deserves to feel safe in their community. That is not the question before us today. We absolutely want to ensure that people have a safe workplace, that people feel safe. And there should be no tolerance of abusive behaviour or harassment or violence.

Those concerns, as have been stated, can be addressed in a variety of ways. The way that was proposed by the CCUA is one of many options and it — in my view — doesn't allow for the democratic process of the membership voice to be heard. Credit unions are not charter banks, and there is a distinction. When someone signs up to be a member of a credit union, they become a shareholder of the credit union. That's not the case when you open a bank account at a charter bank.

As was pointed out earlier, everyone who is engaged in behaviour, inappropriate behaviour, can be refused service for that reason, whether they're at a bank or a credit union. What we're talking about here is the shareholder piece, the membership piece that people have signed up for as a credit union member. And we have implemented through this a variety of changes, through this bill, that address the concerns that were brought forward by the CCUA to respect the concern without disrespecting the membership, without removing the voice of the membership.

And I heard you read the part about concerns about the specific details being shared amongst the broader membership. Recall that if a member's termination is getting to the broader membership, the member brought it. The board isn't bringing the termination to the membership. This is about an appeal. So the CEO and the board have the ability to make these decisions, and only if it's appealed by the member would the broader membership ever be hearing any of those details.

So I will say again that while we have accepted most of the recommendations of the CCUA, we do have to balance that. Because we are hearing from the CCUA, but we're not hearing from the individual members that these proposals that we're not taking are what they would like. So there's a balancing of the rights of the members, respecting again that credit unions are not charter banks. They're very deliberately structured in a different way.

So we are trying to strike the balance of addressing those concerns of the CCUA and the management side of the credit unions without disrespecting one of the core pieces of a credit union, which is that membership piece and the shareholder piece.

And again if any members are behaving inappropriately, they can be refused service as a customer in those institutions. No one

should have to feel unsafe in their workplace, and we absolutely do not condone in any way harassment or violence or abusive behaviour.

**Nicole Sarauer:** — Thank you, Minister. Just further to the remarks that you had made just now, in your consultation process did you hear from other stakeholders who expressed opposition to the recommendation that CCUA had made?

**Cory Peters:** — Thank you. So consultation was issued to the following parties. We issued it to CCUA, the Canadian Credit Union Association. Was issued to SaskCentral. It was issued to Credit Union Deposit Guarantee Corporation. CCUA distributed to the Saskatchewan credit unions. And on the Financial and Consumer Affairs Authority website, the consultation was also posted for the public.

In that process we received one response, that being the CCUA response, which is on the FCAA website.

[16:15]

**Chair B. McLeod:** — Seeing no more questions, we will proceed to vote on the clauses. Clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

[Clause 1 agreed to.]

[Clauses 2 to 10 inclusive agreed to.]

#### Clause 11

**Chair B. McLeod:** — Clause 11, is that agreed? Please, MLA Sarauer.

**Nicole Sarauer:** — Thank you. I'd like to move an amendment to clause 11, that clause 11 be amended to say as follows:

**(a) by striking out subsection 69(1) and substituting the following:**

“69(1) The chief executive officer of a credit union, or an employee designated by name or by office of the board, may terminate the membership of a member in accordance with this Division”.

**(b) by striking out subsection 69(2) and substituting the following:**

“(2) Before terminating a membership pursuant to subsection (1), the credit union shall give the member not less than 7 days' written notice of the proposed termination”.

**(c) by striking out subsection 69(3) and substituting the following:**

“(3) The notice mentioned in subsection (2) must include:

(a) the grounds on which the membership is proposed to be terminated;

- (b) the effective date of the proposed termination;
- (c) the member's right to make written submissions;
- (d) the member's right to appeal a termination decision to the board pursuant to section 69.1; and
- (e) any other information prescribed in the regulations".

**(d) by striking out subsection 69(4) and substituting the following:**

"(4) If a membership is terminated pursuant to subsection (1), the credit union shall, within 10 days after the termination takes effect, give the member written notice of termination that includes:

- (a) the grounds on which the membership is terminated;
- (b) the effective date;
- (c) information respecting payments and continuation of obligations;
- (d) information respecting the member's right to appeal the termination to the board pursuant to section 69.1;
- (e) representation rights at the appeal; and
- (f) any other information prescribed in the regulations".

**(e) by striking out subsection 69(5);**

**(f) by striking out subsection 69(6);**

**(g) by striking out subsection 69(7);**

**(h) by striking out subsection 69(8);**

**(i) by striking out subsection 69(9);**

**(j) by striking out subsection 69.1 and substituting the following:**

"69.1(1) A member whose membership has been terminated pursuant to section 69 may appeal the termination to the board of the credit union.

(2) A member who intends to appeal shall give written notice of appeal to the secretary of the credit union within 30 days after receiving the notice of termination.

(3) The board shall hear the appeal within a reasonable time and may permit written or oral submissions by the member.

(4) After considering the appeal, the board may confirm, rescind, or vary the termination on any terms it considers appropriate.

(5) Subject to section 69.2, the decision of the board on appeal is final".

**(k) by striking out subsection 69.2(1) and substituting the following:**

"69.2(1) a member may appeal a decision of the board made pursuant to subsection 69.1(4) to the court in accordance with this section".

I so move.

**Chair B. McLeod:** — The member has moved an amendment to clause 11. Are committee members ready for the question?

**Some Hon. Members:** — Question.

**Chair B. McLeod:** — Do committee members agree with the amendment as read?

**Some Hon. Members:** — Agreed.

**Some Hon. Members:** — No.

**Nicole Sarauer:** — Recorded vote please, Mr. Chair.

**Chair B. McLeod:** — So I will also at this point in time declare my deliberative vote. And the question before the committee: a recorded vote has been called, and all those in favour of the amendment please raise your hand. Three in favour. All those opposed to the amendment please raise your hand.

Those in favour of the amendment is three; those opposed to the amendment, four. I declare the amendment defeated.

We will continue with the original clause. Clause 11, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

[Clause 11 agreed to.]

[Clauses 12 to 20 inclusive agreed to.]

**Chair B. McLeod:** — His Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Credit Union Amendment Act, 2025*.

I would ask a member to move that we report Bill No. 33, *The Credit Union Amendment Act, 2025* without amendment. MLA Martens moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Do we have any closing comments by the minister?

**Hon. Tim McLeod:** — Thank you, Mr. Chair. I'll reserve my thanks for the committee and *Hansard* and broadcasting who still have more work to do this evening. But I do want to very much thank my officials who have joined me here today for their excellent work each and every day, but particularly for assisting with this committee today.

**Chair B. McLeod:** — Any closing comments from members? Please go ahead, MLA Sarauer.

**Nicole Sarauer:** — Please, yes. As the minister has indicated, he's switching out officials. So to the officials who are leaving, thank you so much for coming today and all of the work that you do on behalf of the people of Saskatchewan.

**Chair B. McLeod:** — And I will thank you for your presence tonight and for your participation. Appreciate it so much.

### Bill No. 47 — *The Response to Illicit Drugs Act*

#### Clause 1

**Chair B. McLeod:** — Next we have consideration of Bill No. 47, *The Response to Illicit Drugs Act*, beginning with clause 1, short title. Minister McLeod, you're back with new officials, and I certainly want you to know as well, don't touch the mikes and identify yourself the first time that you speak.

So, Minister McLeod, please introduce any new officials and make again your opening comments.

**Hon. Tim McLeod:** — Thank you very much, Mr. Chair. Joining me at the table to my left is Neil Karkut, senior Crown counsel with legislative services; and to my right, Darcy McGovern, K.C. [King's Counsel], executive director of public law division. Joining me behind as well we have my chief of staff, Max Waldman, as well as Maria Markatos, K.C.

Mr. Chair, I will offer brief opening remarks for Bill 47, *The Response to Illicit Drugs Act*. This Act forms part of the government's commitment to protect families and communities from the dangers of illicit drugs. The Act targets people who profit from illegal drug production and trafficking in two ways.

First, the Act creates a statutory cause of action against drug offenders, both for the government and for individuals. This allows government to recover costs caused by drug traffickers and producers, including health care costs. Individuals who are personally harmed by drug offenders may also bring an action against the offenders to seek damages.

When an individual brings a claim, the Act creates a rebuttable presumption against the defendant drug offender. The onus is then on the defendant to demonstrate that they did not cause harm to the plaintiff.

Second, the Act deems certain government appointments, grants, or agreements voidable if the other party is convicted of a drug offence. The government has the discretion to determine the appropriate legal action in each case and make sure drug offenders face appropriate professional and economic consequences for their actions.

This Act applies to persons who contravene drug production and trafficking offences under the federal *Controlled Drugs and Substances Act*. It does not apply to individuals convicted of simple possession offences. This approach focuses on individuals who profit from the illegal drug trade rather than on the individuals who suffer from addiction.

With that, Mr. Chair, I welcome any questions respecting Bill 47, *The Response to Illicit Drugs Act*.

**Chair B. McLeod:** — Thank you, Minister. And I will now open the floor to questions. I recognize MLA Sarauer.

**Nicole Sarauer:** — Thank you, Mr. Chair. Thank you, Minister, for your opening comments. I have a few questions with respect to this bill. Firstly, do these provisions exist in any other jurisdiction?

**Neil Karkut:** — Neil Karkut, Ministry of Justice and Attorney General. We're not aware of other jurisdictions that have this approach. It was a unique, made-for-Saskatchewan approach in this case.

**Nicole Sarauer:** — Was this made at the request of any external stakeholder?

**Hon. Tim McLeod:** — No specific stakeholders. I would say on behalf of the people of Saskatchewan who . . . We all certainly recognize the challenges of drug addiction and drug trafficking in our communities.

This, as I said in my opening remarks, is part of a larger suite of approaches that the government has taken to really target on one hand the enforcement and tackling the drug production and drug trafficking side, as well as on the other side of the equation, the compassionate piece, making sure that we are taking a recovery-oriented approach for those who are battling addiction.

**Nicole Sarauer:** — Could you explain to the committee how this bill will operate from the perspective of an individual, not government?

**Neil Karkut:** — With respect to individuals, that is dealt with primarily under the litigation component. As the minister mentioned, there's two streams of litigation that are created under the Act.

The first is for government where they could recover the costs. The second is an individual tort. And how that's set up is that a plaintiff, who would be the individual that's harmed, may bring a claim against the defendant who commits, we call it, an illicit-drug-related wrong which is defined in the Act to cover those offences — trafficking offences, production offences. And the tort's created.

If the plaintiff uses or is exposed to the illicit drugs that have been, I guess, the subject matter of that illicit wrong, and that user exposure results in disease, injury, or death — which is also defined to include, for example, addiction, as the minister mentioned — there's a rebuttable presumption created then. The onus shifts to the defendant to . . . They can't simply say, oh well then, if I was injured they would have just gone to a different individual to receive these drugs, for example.

[16:30]

There is a presumption that, no, you provided this substance to this individual. It's created harm for them, and now they're entitled to receive compensation for that harm, be it job loss or more general damages. It would act similar to a standard claim

in that regard.

**Nicole Sarauer:** — So this legislation contemplates perhaps a user of illicit drugs to sue, in King's Bench, their dealer? Is that correct?

**Neil Karkut:** — That's correct. It would obviously depend on the specific factors and matters in each case. For example if you had, we'll say, someone running a business or a professional that maybe has a significant level of assets that on the side has been dealing with these illicit substances, they may provide an appropriate means to seek compensation for the harm they've caused that individual.

**Chair B. McLeod:** — Minister McLeod.

**Hon. Tim McLeod:** — If I could, just to add on to that. The Act also allows for families of a person who has suffered an addiction or a death due to an addiction to be the plaintiff against the dealer or the one who caused the harm. So in the event of a tragedy, it's not just the individual themselves that is authorized to be a plaintiff under this legislation or contemplated to be a plaintiff, but the families impacted by the loss as well.

**Darcy McGovern:** — Mr. Chair, if I could.

**Chair B. McLeod:** — Yes.

**Darcy McGovern:** — Darcy McGovern. And I think, as the member's raised the issue and it is going to be a particular circumstance where this applies, what we're looking at with this piece, there's five things that this Act does. And this is one of the pieces that's there. This is in addition to restitution within the criminal law process, for example. This is in addition to some of the remedies that we already have with respect to the returning criminal property.

But we may have circumstances . . . And this is something that, as the minister suggested, when we're taking an all-hands-on-deck approach to dealing with the scourge of illicit drugs, that there is a space here for saying there may be individuals who are involved in trafficking or production who have assets that will be available, and that the individual who has suffered what we consider to be a significant tort damage through the damages from illicit drugs, that they have a statutorily based remedy which we can give them some assistance with the change that's been made with respect to the presumption, for example.

And so we're not saying that this is going to happen in every circumstance, by any means. But we do think there is a slice of the pie that this can be useful in addition to the other items that are mentioned in this bill.

**Nicole Sarauer:** — Thank you. Is the ministry planning on providing pro bono legal services to individuals or families who wish to utilize this cause of action?

**Darcy McGovern:** — The ministry isn't in a position right now where it would provide that on a pro bono basis in advance, no.

**Nicole Sarauer:** — And how confident is the ministry in the ability for individuals to be able to recover any award of damages to somebody who would be, for example, an illicit drug dealer?

**Darcy McGovern:** — I mean, the member is, of course, an experienced litigator as well. And that was part of the comments that I made earlier: this will be an appropriate remedy in certain circumstances. You can't get blood from a stone. That's always an issue with respect to these matters.

The member, of course, with her experience and, as the minister knows, we've created statutory torts in certain areas where we want to demonstrate on behalf of the Ministry of Justice — and the minister has made very clear that it's a priority for him in areas like coerced debt and human trafficking areas like the reverse porn provisions — where we'll create a statutory tort, we'll create a presumption to assist with the victims or survivors of those torts. And this is a similar circumstance here.

This is an unacceptable activity which we want to provide the assistance that we can. We can't come here and say that we will guarantee a pot at the end of the rainbow. But we do think that there may be circumstances that, you know . . . And we all read stories where you do have traffickers, and members have commented that this is a scourge that cuts across socio-economic grounds. So if you do have an individual who does have those assets, this may be an appropriate remedy.

**Nicole Sarauer:** — I appreciate you bringing up the other legislation that has dealt with similar social issues in a similar way. The human trafficking one in particular I've been thinking about as I've been looking at this legislation. Does the ministry know how many claims have been filed with respect to that particular legislation at this time?

**Darcy McGovern:** — I don't have that information with me.

**Chair B. McLeod:** — Minister McLeod.

**Hon. Tim McLeod:** — I would say that that's not something that we track in terms of court proceedings and the number of cases that would be brought to the Court of King's Bench in a variety of ways. That's certainly not data that we would have at this table.

**Nicole Sarauer:** — Does this not already exist as a cause of action in common law?

**Darcy McGovern:** — The Act common law, as the member knows, there is an allegation with respect to tort for any inappropriate conduct. The difficulty with that, as the minister's commented and Mr. Karkut mentioned, what we can do with a statutory tort is establish very clearly the tort, the definitions, the parties that can apply for that. And then most importantly we can change the law to create a rebuttable presumption. And that's a very key element in terms of what the ability of the lawmakers in this building have the ability to do. And so we think that's something that's worth doing.

In terms of your reference to Bill 47, there's also the step taken with respect to direct action by government. That's something that we think is valuable with respect to recognizing that this is a scourge that has a direct impact on the finances, particularly from health concerns, and that there may well be circumstances where it's appropriate to pursue that. And we take the model from the opioid and from the tobacco cases to take that step.

And then the other thing that this Act does when we're speaking to why are we doing this piece, I think there's a social contract aspect here that is reflected in part 2, particularly where the government has a lot of points of contact that are in existence right now for appointments, agreements, as well as the contracts that it enters into with the variety of individuals. And what part 2 of the Act does is to say, you know, under the social contract that we operate in — if we want to use our Hobbes, Locke, Rousseau political science analysis — that anyone who is involved in trafficking illicit drugs, producing, or importing is outside of that social contract.

And if the government is in a position where they've appointed an individual and they're convicted of that type of offence, if we have an agreement with an organization, if we have a contract, that those are voidable, immediately voidable at the option of the government agency to reflect that commitment to say that's not who . . . Those sorts of individuals at that time made a choice that's inappropriate to be supported within the government structure.

**Nicole Sarauer:** — As you mentioned, this bill provides a cause of action for government as well as individuals. On the government end, is the ministry projecting approximately how much they hope to recover monetarily within the next fiscal year?

**Neil Karkut:** — No, we don't have a projection of what that will be. It will have to be monitored on a case-by-case basis depending on what, I guess, actions are feasible and based on the factors of each of those cases. So we don't have a figure at this time.

**Nicole Sarauer:** — Thank you. You had mentioned “illicit drug-related wrong” is included in the legislation and is defined. Can you explain what that is for the committee?

**Neil Karkut:** — Yes, absolutely. An “illicit drug-related wrong” is defined in section — I'm just going to start here — it's covered off in the definitions portion. It's just towards the top of page 3. But what we're talking about is it would be, first of all, with respect to schedule 1 substances. And schedule 1 substances includes, for example, fentanyl, methamphetamine, and other highly addictive substances. Opioids, for example.

The specific offences that are covered are substance trafficking, under subsection 5(1) of the *Controlled Drugs and Substances Act*; possession of a substance for the purposes of trafficking, pursuant to 5(2); substance importing or exporting under 6(1); possession of a substance for the purposes of exporting under 6(2); production of a substance, I guess I should be saying in contravention of section 7; or possession, production, sale, import, or transport of anything intended to be used to produce or traffic a substance in contravention of section 7.1.

And as the minister mentioned, it does not cover simple possession offences.

**Nicole Sarauer:** — I believe my colleague has some questions, so I'm going to turn the floor to her.

**Chair B. McLeod:** — MLA Nippi-Albright, please.

**Betty Nippi-Albright:** — Thank you so much. I, yeah, have a

few questions here. How will asset seizure provisions function when individuals being charged at the street level, even those handling larger quantities, have no assets to seize?

**Neil Karkut:** — I think that comes down to what Mr. McGovern referred to earlier, is that bringing a case is going to be determined on very specific factors. If we're looking at a street-level dealer who does not have many assets, like you've mentioned, that's maybe not the best example or circumstances where the government's going to pursue a claim against that individual.

It might be more related to a situation like someone who, for example, maybe does run a successful business, but on top of that, runs illicit drug transactions. And that individual demonstrates that they do have significant assets that would be repayable under this legislation.

**Betty Nippi-Albright:** — Thank you. So if the intent is to target high-level traffickers, then what mechanisms exist to trace assets held outside of Saskatchewan or held through intermediaries?

**Darcy McGovern:** — Of course when you're dealing with trafficking that occurs across provinces or across international boundaries, that's a challenge for sure. And the police, of course, are involved in all of these cases.

We're not going to pretend that we have a secret way or a magic way of tracing assets in that context. But there are certainly circumstances — and this is in my earlier response with respect to the question by the learned member — that this won't apply in every case. But it may apply well in certain cases.

And so that's why we want to make sure those tools are in the tool box, rather than saying if we have, for example, professionals who are engaged in trafficking or we have individuals who . . . as Mr. Karkut mentioned, businesses that are taking this approach, then what we want to be able to do is to address that circumstance.

This won't replace the criminal law. Criminal law, the criminal offences are the first step. Restitution occurs within that context, as the member well knows that there are circumstances where the police can assist in the identification of assets in that process. And through that process I think you take the steps you can with respect to identifying assets that can be seized potentially as part of the court process and provided to the victims or to the victim's family in some cases.

**Betty Nippi-Albright:** — So what . . .

**Hon. Tim McLeod:** — Sorry, MLA Nippi-Albright. I just want to build upon both of the comments that were made in the last two questions and just reiterate that there is not going to be a one-size-fits-all. There is no, you know, magical solution, single solution to every circumstance.

Obviously each individual's journey, addiction journey is going to be somewhat unique. Each criminal case is going to be somewhat unique. So what the government is trying to do is, as Mr. McGovern pointed out, fill each space so that wherever you fall in that journey, on that continuum, we have some measure to assist you.

So this is a very targeted and deliberate Act to focus on individuals who are producing or trafficking, causing that harm in our communities. But it's certainly not going to fix the whole problem. And we've introduced things like the street weapons legislation or the SCAN [safer communities and neighbourhoods] legislation to address some of the nuisance properties where a lot of this dangerous activity happens.

We've got the complex-needs facilities that we've stood up, the additional addiction treatment spaces, the PACT [police and crisis team] teams that we've introduced across the province — all of those feeding into a larger picture of a very broad swing at a very, very serious issue.

[16:45]

**Betty Nippi-Albright:** — I just want to talk a little bit about the interprovincial coordination, if it will occur and how. I guess my question is, how will Saskatchewan, the government, collaborate with other jurisdictions to identify and disrupt the higher level networks that do not reside here in Saskatchewan? What is that coordination going to look like, if there's a plan?

**Darcy McGovern:** — Thank you, Mr. Chair, to the member. And it's not really specific to the scope of this bill, but I'll speak to it as to the degree I can. I think in this context where you're dealing with criminal activity that may, in your example, be extraprovincial, the seizure of criminal property team that the Government of Saskatchewan has is coordinated with other provinces, has an ability within its statute to identify assets that may occur in other places. And that's one of the statutory authorities they have.

I mentioned previously that within the police services — obviously within the municipal, and the RCMP [Royal Canadian Mounted Police] particularly as the national police force, and the CBSA [Canada Border Services Agency] being a federal jurisdiction — that they have an ability to identify assets.

And so a circumstance would be where an individual is criminally charged that, as part of that process, both restitution efforts in that context as well as the seizure of criminal property team would be in a position to help identify assets. And then once that's done in this context, you would have an ability in litigation to identify those assets further in terms of seizure for the individual.

So it doesn't solve the challenge that, you know, these are people who are tricky. But the real core element of this, I think, is recognizing that for a large component of individuals who traffic drugs, produce drugs, import drugs, it is a profit process, that they are seeking to benefit financially from it.

And that's what this bill is more aimed at, to say, if you are seeking to benefit financially with respect to the trafficking process, that these sorts of steps — kicking you off of a board that you're on for the government, rescinding a contract that you have to do the paving, that being part of the process with respect to litigation — those are steps that we can do to try and take away the easy money of trafficking.

**Betty Nippi-Albright:** — Thank you. So can you share with us what matrix will demonstrate that enforcement is actually

reaching the top of that hierarchy of drug dealers?

**Darcy McGovern:** — No, that wouldn't be information that I would have in terms of saying who and how. That process would be more of a criminal process that the police would have to be engaged in.

**Betty Nippi-Albright:** — So how will this government measure success with this bill?

**Darcy McGovern:** — I think this is the type of general statement piece that we'll look for success or gauge success on a few levels. And there's an immediate financial component to that to say, well how often, for example, is the litigation element being used, or what's it being used with. We know that a collective action on behalf of the government is a long-term process. That's not something that occurs quickly, whereas the individual may occur earlier.

With respect to all the different agreements that government has that are now voidable if there's illicit drug conduct, all the grants that government makes to different organizations that are now immediately voidable where individuals or a board of directors — a member of the board, for example, is involved in this process — all of those can be immediately impacted through this legislation. And so that is something that we'd be able to see in terms of where that occurs.

But you know, when I say levels, I also mean that we have an opportunity. And obviously, I think, yesterday there was the unanimous vote in the House in support of this legislation that, you know, this Assembly and certainly this government wants to make a strong statement that says, again, there is no place for trafficking in tragedy for financial gain, that that is something we can't say loudly enough and often enough.

And this bill is part of that process. And I think the minister's been very clear in tasking the Ministry of Justice to try and be as creative and aggressive as it can. And so while we're not saying this solves all the problems, we think we can take on some financial . . . we can take on the incentive for easy money through a bill like this.

**Betty Nippi-Albright:** — Thank you for that. I'm having a tough time being convinced of that. But what I do want to ask is, this bill, I know you have different levels of who you want to access, how it's going to be, and people are going to be taken off boards, and etc., etc. But I guess what I want to know and I want to understand is, how will this bill reach the individuals who actually control the drug supply that is coming into Saskatchewan?

**Hon. Tim McLeod:** — Well I would say that — your earlier question about measuring success — every life that's saved is a success. Every family that's protected from the harms of addiction is a success. And every deterred individual who would otherwise try and profit from trafficking in illicit substances, if this deters someone from peddling in that poison, bringing those dangerous drugs into our province or into our communities, that's a success.

Now there is no magic fix. There is no one-size-fits-all. But this is one more thing that we have introduced as a government to

show how seriously we take this problem. And I would say that every, every individual circumstance where a life can be saved, where an addiction can be avoided, where someone who might be contemplating trafficking drugs is deterred because they don't want to risk the penalties that this bill proposes, that's a success.

**Betty Nippi-Albright:** — Just one more final quick one here. I guess I'm trying to wrap my head around . . . We often have these street-level drug dealers. And often whoever is poisoning the supply with these deadly drugs, we're seeing that individuals that are suffering from their own substance-use harms are being forced into selling. And you have this bill that wants to target individuals that are profiting at that higher level.

I just want to know, like how are you going to ensure — or not ensure but just measure — that you're actually achieving the target, the goal of this bill of targeting those individuals that are profiting, without penalizing those street-level individuals, and while directing and profiting from the supply remaining untouched? Like how is that . . . Like help me understand that.

**Hon. Tim McLeod:** — This bill isn't intended to target the users. It's intended to target those trafficking, producing, and profiting off of the poisons that are being brought into our communities. And so again I would say that it's been mentioned a couple of times. It's really a collective approach to address the addictions challenges that our communities face: finding addiction treatment spaces and supports for those who are battling addiction, but then on the flip side adding more police, more enforcement, more tools through legislation and through resources to address the trafficking and the production of these substances.

So it's really a collective approach, and we will continue as a government to make investments in this area as long as there are drugs being pedalled in our communities and lives being impacted by those. We will continue to find ways to address and target those who are trying to profit off the vulnerability of people battling addiction, and we will continue to offer supports for those people who are battling addiction to help them find healthy lives and recovery.

**Chair B. McLeod:** — Seeing no more questions . . . You're good? Thank you. Seeing no more questions, we will proceed to vote on the clauses. And just before we do that, I want to say as well, thoughtful questions and very well-thought-through answers. Appreciate that exchange that happened. I learned much as well.

So we'll start with clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 16 inclusive agreed to.]

**Chair B. McLeod:** — His Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Response to Illicit Drugs Act*.

I would ask a member to move that we report Bill No. 47, *The Response to Illicit Drugs Act* without amendment. MLA Martens moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Any closing comments, Minister?

**Hon. Tim McLeod:** — I'll just, if I could, thank Darcy McGovern, K.C., who is the only official leaving the table. I'm hanging on to Neil Karkut for the time being. But thank you to Darcy for his work each and every day for the people of Saskatchewan, for the government, and certainly for the committee's benefit today.

**Chair B. McLeod:** — Any closing comments? Please, MLA Sarauer.

[17:00]

**Nicole Sarauer:** — Thanks, Mr. Chair. I just appreciate the opportunity to join with the minister in thanking Mr. McGovern and Mr. Karkut for their thoughtful answers to my colleague and my questions this afternoon, and always for the work that you both do for the people of the province.

#### **Bill No. 45 — *The Co-operatives Consequential Amendments Act, 2025***

##### **Clause 1**

**Chair B. McLeod:** — And thank you very much, everyone. Next we have consideration of Bill No. 45, *The Co-operatives Consequential Amendments Act, 2025* beginning with clause 1, short title.

Now Minister McLeod has already indicated that he's changed the officials out, and please introduce any new officials. And just a reminder again to give your name the first time you speak, and don't touch the microphones. Minister McLeod.

**Hon. Tim McLeod:** — Well thank you, Mr. Chair, and thank you to the committee for indulging us on the unusual process of handling the consequential amendment bill before the bill proper.

But joining me for both of those — staying with me, I suppose — is Neil Karkut, senior Crown counsel, legislative services. Joining me at the table to my right is Jared Pashovitz, acting registrar of co-operatives, office of public registry administration. And joining us is Catherine Benning, K.C., director, office of public registry administration.

I will very briefly offer some opening remarks on Bill 45, Mr. Chair. This bill simply makes consequential amendments to English legislation to support the new bilingual co-operatives Act, 2025. These amendments are largely housekeeping and maintain consistency between the different corporate legislation. With that, I'd welcome questions.

**Chair B. McLeod:** — Thank you, Minister. I'll now open the floor to questions. MLA Sarauer, please.

**Nicole Sarauer:** — Thank you, Mr. Chair. Just putting on the record that I have no questions for the consequential bill. I will save my questions for the substantive.

**Chair B. McLeod:** — Thank you. Seeing no more questions, we will proceed to vote on the clauses. Clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 21 inclusive agreed to.]

**Chair B. McLeod:** — His Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Co-operatives Consequential Amendments Act, 2025*.

I would ask a member to move that we report *The Co-operatives Consequential Amendments Act, 2025* without amendment. MLA Crassweller moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Any closing comments please from the minister?

**Hon. Tim McLeod:** — In the interests of time, Mr. Chair, I think I'll just reserve my closing comments for the next bill.

**Chair B. McLeod:** — Any closing comments from members? Thank you.

**Bill No. 44 — *The Co-operatives Act, 2025*  
*Loi de 2025 sur les coopératives***

**Clause 1-1**

**Chair B. McLeod:** — So we will move on then to the consideration of Bill No. 44, *The Co-operatives Act, 2025*, a bilingual bill, beginning with consideration of clause 1-1, short title. Minister McLeod is still here with his officials. Minister, please make your opening comments for us.

**Hon. Tim McLeod:** — Thank you, Mr. Chair. Staying with me, the same officials as previously. I would offer very brief opening remarks for Bill 44, *The Co-operatives Act, 2025*.

This new Act is the next stage in the ministry's corporate registry review. Many of the updates are based on *The Business Corporations Act, 2021* and *The Non-profit Corporations Act, 2022*.

These updates include clarifying the use of modern technologies; reducing red tape by removing the registrar from business-related decisions; expressly allowing business names to include words in Cree, Dene, or other Indigenous languages; and simplifying the liquidation and dissolution procedure.

Several further updates are unique to co-ops. First, the current

co-operatives Act, 1996 and *The New Generation Co-operatives Act* are combined into a single Act. New generation co-operatives will continue as a specialized co-operative under the new Act.

Second, a new multi-stakeholder specialized co-operative is added. This change was made in response to requests from stakeholders.

Third, the new Act provides all co-operatives clear authority to raise capital through the sale of preferred shares to non-members. With that, Mr. Chair, I'd be pleased to answer any questions.

**Chair B. McLeod:** — Thank you, Minister. I will now open the floor to questions. I recognize MLA Sarauer.

**Nicole Sarauer:** — Thank you, Mr. Chair. Thank you, Minister, for your opening comments. Could you explain to the committee who was consulted on this bill?

**Neil Karkut:** — Consultations were an ongoing matter over a number of years. The registrar of co-operatives maintained regular contact with different co-operatives across the province and collected their feedback through that process. And that's how you heard about, for example, the multi-stakeholder co-operative. That was raised in a lot of those discussions.

Over the years too there's been an increasing request for access to greater capital for co-operatives. And you'd hear that probably more from larger co-operatives, but then also there's a Canadian co-operatives group that has identified access to capital now four years in a row as one of the top concerns for co-operatives across the country.

So it wasn't a directed consultation paper per se. It was an ongoing conversation with these different stakeholders by the registrar that led to these changes in this Act.

**Nicole Sarauer:** — Thank you. In those ongoing conversations, were there any recommendations requested by stakeholders that aren't included in this bill?

**Neil Karkut:** — There were a number of requests that weren't included. So for example there were certain groups that wanted specialized co-operative types. There's already certain co-operatives, specialized groups like employment co-operatives, for example, or new generation co-operatives, that have specific rules and are a subset of co-operative. Some of those categories that were asked for, they weren't actually necessary because they can already be established through the existing rules.

There were some requests around technology that we actually already have, so for example to host an electronic meeting. That already existed in the Act. There were some categories . . . Several housing co-operatives did ask for a review process through a specialized tribunal, but the Act already provides a review process both through members as well as the courts. And so that change didn't proceed as well.

**Nicole Sarauer:** — Thank you. For the changes that are included, could the ministry explain why these were requested?

**Neil Karkut:** — Sorry. Just in general, all the changes that were included?

So the first component are the ones that were already included both in *The Business Corporations Act* and *The Non-profit Corporations Act*. The goal with some of these reviews is to create consistency amongst the Acts. So one piece is removing the registrar from a lot of the business-related decisions. There's certain requirements to notify the registrar, make requests to the registrar where it's really not a registry-related piece, it's a business-related decision. And that just created extra red tape for those groups. So removing those types of changes to create consistency amongst all the different pieces of legislation.

In consultations, we actually found that there was in general a lot of support for the existing Act. Stakeholders found the Act worked well, so it wasn't a matter of completely rewriting the legislation in any way. It was just finding places where you can make updates.

The piece about capital, as I mentioned, has been identified now as a growing concern. So that made sense that, when we were combining the two Acts, to make sure it was clear that all types of co-operatives can raise capital through preferred shares to non-members, rather than just new generation co-operatives. And that matches the approach in Alberta, and Canada's Act as well.

And then the multi-stakeholder co-operative again was a request that was received across . . . from numerous stakeholders. We felt that was an appropriate change to include.

**Nicole Sarauer:** — Thank you. Oh, sorry. Go ahead.

**Hon. Tim McLeod:** — Mr. Chair, if I could just build upon what Mr. Karkut has shared.

One of the provisions that I mentioned was being added is to remove the registrar from certain business-related decisions. One of those: the current provision allows that a person would appeal the termination of their membership to the registrar. And that's being repealed.

Interesting parallel to our previous conversation where I would just point out that where a housing co-operative member wishes to appeal their membership, the appeal of that termination goes to the members. And that's consistent across a number of co-operatives and credit unions alike.

**Nicole Sarauer:** — We'll let the co-operatives and credit unions duke it out with each other on that particular provision.

You mentioned some comparison to other jurisdictions on one of the provisions. Could you speak about how these provisional changes within the bill compare to other jurisdictions across Canada?

**Neil Karkut:** — Yeah. Because it's quite a big Act, we focused primarily on both the Canada . . . the federal co-operative Act and then Alberta's co-operative Act as two pieces of legislation that we primarily focused on when making these changes because they aligned with a lot of what we wanted to do.

So for example, the new generation co-operative piece is within one bill or one Act in Alberta, and that they both do allow that preferred shareholder component. So it was really Alberta and Canada's Acts that were the primary focus when we were

conducting this review, and there's a lot of coordination between those two Acts and our new bill.

**Nicole Sarauer:** — Thank you. Does the ministry feel that the new bill will be able to streamline and modernize services within the registry?

**Jared Pashovitz:** — Jared Pashovitz, acting registrar of co-operatives. So the new legislation will be tied into the new registry technology that will be forthcoming, and it will assist with streamlining registry operations that way.

**Nicole Sarauer:** — Thank you. Does the ministry have any sort of funding initiatives, or the government more largely speaking, that they use to support the co-operative movement in Saskatchewan? And if so, what are they?

[17:15]

**Catherine Benning:** — Catherine Benning from the office of public registry administration. There are some very targeted supports available within government, and I'll just give you a couple of examples. For example, with northern fishing co-operatives, there are supports available through the Ministry of Environment. And for all co-operatives, the Ministry of Justice and our service provider, Information Services Corporation, provides supports for the registration and registry-related aspects of co-operatives.

**Nicole Sarauer:** — Thank you. I have no further questions.

**Chair B. McLeod:** — Seeing no more questions, we will proceed to vote on the clauses. Now I'm just going to take the temperature here a little bit in that regard. There are over 400 clauses here that have to be signed or initialled by myself, doubled because it's bilingual. We can have everyone stay, officials associated with this bill, or we could dismiss them and allow them to have a great evening with family, and the rest of us will have to suffer. Are we in agreement with that?

Okay. So I'll just then say, any closing comments by the minister before everybody runs away?

**Hon. Tim McLeod:** — Thank you very much, Mr. Chair, and sincere thanks to the committee for that indulgence. I know all of the team that surrounds me and myself greatly appreciate that.

I want to just quickly thank all of my officials that joined me this evening. As you can see, as every time I come to this table, I come surrounded by just an absolutely tremendous team and I feel very well supported, and the province is very well served by each of them. I want to thank you, Mr. Chair, and the committee members for their thoughtful questions and participation in the process this evening. And I want to thank *Hansard* and broadcast services, of course, and Madam Clerk for her assistance at the Table. Thank you very much to the committee, and enjoy the rest of your evening.

**Chair B. McLeod:** — Thank you. Any closing comments from members?

**Nicole Sarauer:** — Thank you, Mr. Chair. Just briefly, I'd like to join with the minister in first of all thanking him for answering

my and my colleague's questions this afternoon. It's greatly appreciated. Of course for all of your officials, for their thoughtful responses today and all of their work each and every single day. Of course I'd be remiss if I didn't thank your chief of staff as well, Minister, as well as all of the committee members; yourself, Mr. Chair; committee staff; *Hansard* and broadcast services as well. Thank you.

**Chair B. McLeod:** — Thank you so much. And we will dismiss officials and thank you for your presence here tonight. Enjoy the evening.

All right. As I already indicated, this bill has over 400 clauses. Is the committee in agreement that we review the bill by parts? Any objections? So then we will get started. This is what we have to get through, so bear with me here.

So part 1 is the preliminary matters. Clause 1-1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

[Clause 1-1 agreed to.]

[Clauses 1-2 to 32-7 inclusive agreed to.]

**Chair B. McLeod:** — His Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Co-operatives Act, 2025*, a bilingual bill.

All right, I would ask a member to move that we report Bill No. 44, *The Co-operatives Act, 2025*, a bilingual bill, without amendment.

MLA Brad Crassweller moves. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Well thank you, everyone. What a marathon. Now we have one more small task. We are going to proceed to vote on the committee resolutions.

[18:30]

**General Revenue Fund  
Community Safety  
Vote 73**

**Chair B. McLeod:** — 2026-27 estimates, vote 73, Community Safety. Central management and services, subvote (CS01) in the amount of 48,141,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Saskatchewan Public Safety Agency, subvote (CS06) in the amount of 138,508,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Saskatchewan Police

Commission, subvote (CS12) in the amount of 3,789,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Custody, supervision and rehabilitation services, subvote (CS13) in the amount of 268,869,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Policing and community safety services, subvote (CS15) in the amount of 425,475,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Non-appropriated expense adjustment in the amount of 9,388,000. Non-appropriated expense adjustments are non-cash adjustments presented for informational purposes only. No amount is to be voted.

Community Safety, vote 73 — 884,782,000. Okay, I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2027, the following sums for Community Safety: 884,782,000.

MLA Patterson. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

**General Revenue Fund  
Firearms Secretariat  
Vote 92**

**Chair B. McLeod:** — Vote 92, Firearms Secretariat. Central management and services, subvote (FS01) in the amount of 2,398,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Chief Firearms office, subvote (FS02) in the amount of 2,606,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Saskatchewan Ballistics Laboratory, subvote (FS03) in the amount of 1,551,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Client services, subvote (FS04) in the amount of 1,911,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Non-appropriated expense adjustment in the amount of 947,000. Non-appropriated expense

adjustments are non-cash adjustments presented for informational purposes only. No amount is to be voted.

Firearms Secretariat, vote 92 — 8,466,000. I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2027, the following sums for Firearms Secretariat: 8,466,000.

MLA Martens. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

**General Revenue Fund  
Government Relations  
Vote 30**

**Subvote (GR01)**

**Chair B. McLeod:** — Vote 30, Government Relations. Central management and services, subvote (GR01) in the amount of 8,918,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Saskatchewan Municipal Board, subvote (GR06) in the amount of 1,873,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Municipal Relations, subvote (GR07) in the amount of 669,744,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. First Nations, Métis and Northern Affairs, subvote (GR12) in the amount of 144,019,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Provincial Capital Commission, subvote (GR14) in the amount of 7,471,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Non-appropriated expense adjustment in the amount of 100,000. Non-appropriated expense adjustments are non-cash adjustments presented for informational purposes only. No amount is to be voted.

Government Relations, vote 30 — 832,025,000. I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2027, the following sums for Government Relations: 832,025,000.

MLA Brad Crassweller. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

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

**Chair B. McLeod:** — Vote 3, Justice and Attorney General. Central management and services, subvote (JU01) in the amount of 39,435,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Courts and civil justice, subvote (JU03) in the amount of 54,177,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Legal and policy services, subvote (JU04) in the amount of 87,151,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Boards, commissions and independent offices, subvote (JU08) in the amount of 63,372,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Non-appropriated expense adjustment in the amount of 3,972,000. Non-appropriated expense adjustments are non-cash adjustments presented for informational purposes only. No amount is to be voted.

Justice and Attorney General, vote 3 — 244,135,000. I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2027, the following sums for Justice and Attorney General: 244,135,000.

MLA Patterson. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

**General Revenue Fund  
Parks, Culture and Sport  
Vote 27**

**Chair B. McLeod:** — Vote 27, Parks, Culture and Sport. Central management and services, subvote (PC01) in the amount of 8,563,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Parks, subvote (PC12) in the amount of 33,422,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Resource stewardship, subvote (PC18) in the amount of 24,598,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Community engagement, subvote (PC19) in the amount of 50,051,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Non-appropriated expense adjustment in the amount of 8,077,000. Non-appropriated expense adjustments are non-cash adjustments presented for informational purposes only. No amount is to be voted.

Parks, Culture and Sport, vote 27 — 116,634,000. I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2027, the following sums for Parks, Culture and Sport: 116,634,000.

MLA Martens. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

**General Revenue Fund  
Tourism Saskatchewan  
Vote 88**

**Chair B. McLeod:** — Vote 88, Tourism Saskatchewan. Tourism Saskatchewan, subvote (TR01) in the amount of 19,469,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

Tourism Saskatchewan, vote 88 — 19,469,000. I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2027, the following sums for Tourism Saskatchewan: 19,469,000.

MLA Crassweller. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

**General Revenue Fund  
Supplementary Estimates — No. 2  
Community Safety  
Vote 73**

**Chair B. McLeod:** — 2025-26 supplementary estimates, no. 2. Vote 73, Community Safety. Central management and services, subvote (CP01) in the amount of 19,000. There is no vote as this is statutory.

[18:45]

Saskatchewan Public Safety Agency, subvote (CP06) in the amount of 17,938,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Policing and community safety services, subvote (CP15) in the amount of 25,984,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Community Safety, vote 73 — 43,922,000. I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2026, the following sums for Community Safety: 43,922,000.

MLA Martens. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

**General Revenue Fund  
Supplementary Estimates — No. 2  
Justice and Attorney General  
Vote 3**

**Chair B. McLeod:** — Vote 3, Justice and Attorney General. Courts and civil justice, subvote (JU03). This includes a statutory amount. The amount to be voted is 1,375,000. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Legal and policy services, subvote (JU04) in the amount of 5,490,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Boards, commissions and independent offices, subvote (JU08) in the amount of 2,200,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Justice and Attorney General, vote 3 — 9,065,000. I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2026, the following sums for Justice and Attorney General: 9,065,000.

MLA Crassweller. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

**General Revenue Fund  
Supplementary Estimates — No. 2  
Parks, Culture and Sport  
Vote 27**

**Chair B. McLeod:** — Vote 27, Parks, Culture and Sport. Central management and services, subvote (PC01) in the amount of 310,000, is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Parks, Culture and Sport, vote 27 — 310,000. I will now ask a member to move the following resolution:

Resolved that there be granted to His Majesty for the 12 months ending March 31st, 2026, the following sums for Parks, Culture and Sport: 310,000.

MLA Crassweller. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried. Committee members, we will now proceed to vote on the committee report. Committee members, you have before you a draft of the third report of the Standing Committee on Intergovernmental Affairs and Justice for the thirtieth legislature. We require a member to move the following motion:

That the third report of the Standing Committee on Intergovernmental Affairs and Justice for the thirtieth legislature be adopted and presented to the Assembly.

MLA Martens. Is that agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Carried.

That concludes our business for today. I would ask a member to move a motion of adjournment.

**Megan Patterson:** — So moved.

**Chair B. McLeod:** — MLA Patterson — I heard that — has moved. All agreed?

**Some Hon. Members:** — Agreed.

**Chair B. McLeod:** — Agreed. This committee stands adjourned to the call of the Chair. Thank you very much, everyone. We did it.

[The committee adjourned at 18:51.]