



No. 47

VOTES and PROCEEDINGS

OF THE

LEGISLATIVE ASSEMBLY

PROVINCE OF SASKATCHEWAN

SECOND SESSION – TWENTY-FIFTH LEGISLATURE

Wednesday, April 26, 2006

1:30 p.m.

PRAYERS

PRESENTING PETITIONS

Petitions of citizens of the Province of Saskatchewan were presented and laid upon the Table by the following Members: Toth, Elhard, McMorris, D'Autremont, Krawetz, Draude, Hermanson, Wakefield, Chisholm, Hart, Harpauer, Gantefoer, Weekes, Cheveldayoff, Huyghebaert, Allchurch, Kirsch, Brkich, Morgan and Kerpan.

READING AND RECEIVING PETITIONS

According to Order, the Deputy Clerk having favourably reported on the same pursuant to Rule 14(7), the following Petition was read and received:

Of citizens of the Province of Saskatchewan humbly praying that your Honourable Assembly may be pleased to cause the Government to take the necessary action to build a provincial Children's Hospital in Saskatoon.

(Addendum to Sessional Paper No. 644)

WRITTEN QUESTIONS

The Order of the Day being called for Question Nos. 1015 to 1035, they were answered. (See Appendix)

SECOND READINGS**Bill No. 64 – The Income Tax Amendment Act, 2006**

The Hon. Mr. Thomson, a member of the Executive Council, having acquainted the Assembly that Her Honour the Lieutenant Governor, having been informed of the subject matter of the Bill, recommends it to the consideration of the Assembly, moved: That Bill No. 64 – The Income Tax Amendment Act, 2006 – be now read a second time.

A debate arising, it was on motion of Mr. Gantefer, adjourned.

On motion of the Hon. Mr. Hagel:

Ordered, That this Assembly do now adjourn.

The Assembly adjourned at 2:38 p.m. until Thursday at 1:30 p.m.

Hon. P. Myron Kowalsky
Speaker

RETURNS, REPORTS AND PAPERS TABLED

The following papers were laid upon the Table:

By the Hon. Mr. Van Mulligen:

Annual Report of the Saskatchewan Municipal Board for the year ended December 31, 2005.
(Sessional Paper No. 700)

Unaudited Supplementary Information and Audited Financial Statements for Northern Revenue Sharing Trust Account for the year ended December 31, 2005.
(Sessional Paper No. 701)

Financial Statements for Municipal Potash Tax Sharing Administration Board for the year ended December 31, 2005.
(Sessional Paper No. 702)

By the Hon. Mr. Thomson:

Annual Report and Consolidated Financial Statements for SaskEnergy Incorporated for the year ended December 31, 2005.
(Sessional Paper No. 703)

Financial Statements for SaskEnergy Incorporated (Consolidated); SaskEnergy Incorporated (Distribution Division); SaskEnergy Incorporated (Holdings Division); TransGas Limited; Many Islands Pipe Lines (Canada) Limited; Bayhurst Gas Limited; Swan Valley Gas Corporation; Saskatchewan First Call Corporation; SaskEnergy International Incorporated; SaskEnergy Chilean Holdings I Ltd.; SaskEnergy Chilean Holdings II Ltd.; SaskEnergy Chilean Holdings Limitada; SaskEnergy Mexican Holdings Ltd.; SaskEnergy Nova Scotia Holdings Ltd.; Heritage Gas Limited for the year ended December 31, 2005.
(Sessional Paper No. 704)

QUESTIONS AND ANSWERS

Mr. Weekes asked the Government the following Question No. 1015, which was answered by the Hon. Mr. Wartman:

To the Minister of Agriculture and Food: (1) With whom did the Minister and his officials meet with concerning Bill 28 – The Veterinarians Amendment Act, 2005? (2) At what dates and times did these meetings take place?

Answer:

- (1) The process to update *The Veterinarians Act, 1987* started in 2003. The process to update the Act included updating the provisions related to how a professional body regulates itself and the scope of practice of veterinaries. SAF consulted extensively with stakeholders on possible changes to the Act. While there was not a full consensus, there was support for updating the Act, including changing the scope of practice to include horse castration, horse dentistry and all forms of pregnancy checks. The consultations included meetings with Saskatchewan Stock Growers Association, Saskatchewan Cattle Feeders Association, Saskatchewan Veterinary Medical Association, Farm Animal Council of Saskatchewan and Saskatchewan Equine Ranchers Association. Letters requesting views on changes to *The Veterinarians Act, 1987* were sent to Saskatchewan Veterinary Medical Association, Western College of Veterinary Medicine, Saskatchewan Horse Federation, Sask Pork, Saskatchewan Stock Growers Association, Dairy Farmers of Saskatchewan, Saskatchewan Equine Ranchers Association, Saskatchewan Elk Breeders Association, Saskatchewan White-Tail Deer and Mule Deer Producers Association, Saskatchewan Association of Veterinary Technologists, Saskatchewan Egg and Poultry Association, Saskatchewan Sheep Development Board, Saskatchewan Sheep Breeders Association, Saskatchewan Cattle Feeders Association, Saskatchewan PMU Association and Saskatchewan Quarter Horse Association.

The amendments were introduced into the fall 2005 session of the Saskatchewan Legislature. After introduction some of the stakeholders who had previously supported the amendments started to have reservations. The Saskatchewan Stock Growers Association changed their position with respect to the changes to scope of practice. As a result, the amendments were put on hold at the fall session. More recently, more consultations were held with stakeholders on the amendments at a meeting on Wednesday, March 8, 2006. There was no longer any consensus on changing scope of practice. There was agreement that the other amendments should go forward. As a result, the intention is to move the amending Act forward without any changes to the scope of practice. This will result in an updated Veterinary Act with updated provisions on how veterinarians regulate themselves, but with no changes to scope of practice.

- (2) Letters to stakeholder groups were sent July and September 2005. A stakeholder meeting was held March 8, 2006.

Mr. Huyghebaert asked the Government the following Question No. 1016, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: Did management of the department have established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2001?

Answer:

Yes, Saskatchewan Property Management continually monitors, assesses and updates the systems and controls that are in place to reduce the risk of loss of public money or property. These systems and controls have been developed based upon the government-wide internal control framework encompassing legislation, Financial Administration Manual (FAM) policies, human resource policies and information technology policies.

To ensure management has the tools to fulfill their responsibilities, the Department provides each of its Directors with monthly financial reports detailing monthly financial activity. Managers are expected to regularly review this information. To ensure segregation of duties, department Purchase Card (P-Card) holders must reconcile their transactions monthly and these transactions must be approved by a second person, normally by their supervisor. In addition, Directors can supplement this information with reports that can be reviewed on-line or printed for review.

Executive members of the Department receive divisional financial reports on a monthly basis for their review. On a monthly basis, the executive review, discuss and prepare department forecasts which are sent to the Department of Finance. Saskatchewan Property Management also utilizes the work of third parties, such as an external auditor who helps provide another check and balance on the Government's internal control systems. Saskatchewan Property Management agrees with and implements the vast majority of their recommendations.

Mr. Huyghebaert asked the Government the following Question No. 1017, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: Did management of the department have established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2002?

Answer:

Yes, Saskatchewan Property Management continually monitors, assesses and updates the systems and controls that are in place to reduce the risk of loss of public money or property. These systems and controls have been developed based upon the government-wide internal control framework encompassing legislation, Financial Administration Manual (FAM) policies, human resource policies and information technology policies.

To ensure management has the tools to fulfill their responsibilities, the Department provides each of its Directors with monthly financial reports detailing monthly financial activity. Managers are expected to regularly review this information. To ensure segregation of duties, department Purchase Card (P-Card) holders must reconcile their transactions monthly and these transactions must be approved by a second person, normally by their supervisor. In addition, Directors can supplement this information with reports that can be reviewed on-line or printed for review.

Executive members of the Department receive divisional financial reports on a monthly basis for their review. On a monthly basis, the executive review, discuss and prepare department forecasts which are sent to the Department of Finance. Saskatchewan Property Management also utilizes the work of third parties, such as an external auditor who helps provide another check and balance on the Government's internal control systems. Saskatchewan Property Management agrees with and implements the vast majority of their recommendations.

Mr. Huyghebaert asked the Government the following Question No. 1018, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: How did management of the department monitor any established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2001?

Answer:

Management reviewed reports and acted on recommendations from internal and external auditors to ensure adequate controls existed to mitigate fraud risks and help prevent fraud.

To ensure management had the tools to fulfill their responsibilities, the Department provided each of its Directors with monthly financial reports detailing monthly financial activity. Managers are expected to regularly review this information. To ensure segregation of duties, department P-Card holders must reconcile their transactions monthly and these transactions must be approved by a

second person, normally by their supervisor. In addition, Directors can supplement this information with reports that can be reviewed on-line or printed for review.

Executive members of the Department receive divisional financial reports on a monthly basis for their review. On a monthly basis, the executive review, discuss and prepare department forecasts which are sent to the Department of Finance.

Mr. Huyghebaert asked the Government the following Question No. 1019, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: How did management of the department monitor any established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2002?

Answer:

Management reviewed reports and acted on recommendations from internal and external auditors to ensure adequate controls existed to mitigate fraud risks and help prevent fraud.

To ensure management had the tools to fulfill their responsibilities, the Department provided each of its Directors with monthly financial reports detailing monthly financial activity. Managers are expected to regularly review this information. To ensure segregation of duties, department P-Card holders must reconcile their transactions monthly and these transactions must be approved by a second person, normally by their supervisor. In addition, Directors can supplement this information with reports that can be reviewed on-line or printed for review.

Executive members of the Department receive divisional financial reports on a monthly basis for their review. On a monthly basis, the executive review, discuss and prepare department forecasts which are sent to the Department of Finance.

Mr. Huyghebaert asked the Government the following Question No. 1020, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: (1) Does management of the department have any knowledge of any actual or suspected fraud or illegal activity within the department during the year 2001? (2) If so, what is the nature of this activity?

Answer:

- (1) Yes, management of SPM did have knowledge of one theft occurring within the department.
- (2) An employee admitted to taking a small amount of office supplies. The items, valued at less than \$200, were returned by the employee. As a result of this incident and other previous employment issues, the employee was terminated.

Mr. Huyghebaert asked the Government the following Question No. 1021, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: (1) Does management of the department have any knowledge of any actual or suspected fraud or illegal activity within the department during the year 2002? (2) If so, what is the nature of this activity?

Answer:

- (1) No, management at SPM is not aware of any actual or suspected fraud or other illegal activity occurring within the department during this period of time.
- (2) N/A

Mr. Huyghebaert asked the Government the following Question No. 1022, which was answered by the Hon. Mr. Lautermilch :

To the Minister of Property Management: What did management of the department find as a result of its monitoring of any established programs and controls to mitigate fraud risk or detect fraud in the year 2001?

Answer:

SPM was not aware of any fraudulent or other criminal activity, other than the following: One incident of theft was discovered after staff raised concerns when it was noticed that office supplies were missing. The estimated value of the items was less than \$200. An investigation identified an employee of the cleaning staff as being responsible. The individual admitted to the theft and returned all of the items. As a result of this incident and other previous employment issues, the employee was terminated.

Mr. Huyghebaert asked the Government the following Question No. 1023, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: What did management of the department find as a result of its monitoring of any established programs and controls to mitigate fraud risk or detect fraud in the year 2002?

Answer:

SPM was not aware of any fraudulent or other criminal activity occurring in the department during this period of time.

Mr. Huyghebaert asked the Government the following Question No. 1024, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: (1) Is management of the department aware of any allegations of fraud or other illegal activity within the department or its agencies in the year 2001, such as information received from employees, former employees, customers/clients, suppliers or others? (2) If so, what is the nature of the activity?

Answer:

- (1) Yes, management of SPM did have knowledge of one theft occurring within the Crown.
- (2) An employee admitted to taking a small amount of office supplies. The items, valued at less than \$200, were returned by the employee. As a result of this incident and other previous employment issues, the employee was terminated.

Mr. Huyghebaert asked the Government the following Question No. 1025, which was answered by the Hon. Mr. Lautermilch:

To the Minister of Property Management: (1) Is management of the department aware of any allegations of fraud or other illegal activity within the department or its agencies in the year 2002, such as information received from employees, former employees, customers/clients, suppliers or others? (2) If so, what is the nature of the activity?

Answer:

- (1) No, management is not aware of any allegations of fraud or other illegal activity within the department during this period of time.
- (2) N/A

Mr. Kerpan asked the Government the following Question No. 1026, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: Did management of the department have established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2001?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1027, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: Did management of the department have established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2002?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1028, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: How did management of the department monitor any established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2001?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1029, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: How did management of the department monitor any established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2002?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1030, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: (1) Does management of the department have any knowledge of any actual or suspected fraud or illegal activity within the department during the year 2001? (2) If so, what is the nature of this activity?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1031, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: (1) Does management of the department have any knowledge of any actual or suspected fraud or illegal activity within the department during the year 2002? (2) If so, what is the nature of this activity?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1032, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: What did management of the department find as a result of its monitoring of any established programs and controls to mitigate fraud risk or detect fraud in the year 2001?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1033, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: What did management of the department find as a result of its monitoring of any established programs and controls to mitigate fraud risk or detect fraud in the year 2002?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1034, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: (1) Is management of the department aware of any allegations of fraud or other illegal activity within the department or its agencies in the year 2001, such as information received from employees, former employees, customers/clients, suppliers or others? (2) If so, what is the nature of the activity?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

Mr. Kerpan asked the Government the following Question No. 1035, which was answered by the Hon. Mr. Cline:

To the Minister Responsible for Investment Saskatchewan: (1) Is management of the department aware of any allegations of fraud or other illegal activity within the department or its agencies in the year 2002, such as information received from employees, former employees, customers/clients, suppliers or others? (2) If so, what is the nature of the activity?

Answer:

Investment Saskatchewan was created in September, 2003. Prior to 2003, the Investment Division of the Crown Investments Corporation (CIC) was responsible for the portfolio under CIC policies and controls.

NOTICE OF MOTIONS FOR RETURNS (Not Debatable)

On Friday:

Mr. McMorris, to move that an Order of the Assembly do issue for Return No. 575 showing:

Copies of all stakeholder submissions for the review of the Saskatchewan Cancer Agency.

Mr. McMorris, to move that an Order of the Assembly do issue for Return No. 576 showing:

The consultant's phase one report on the review of the Saskatchewan Cancer Agency.

NOTICE OF WRITTEN QUESTIONS

The following Questions were given notice on day no. 44 and are to be answered by day no. 49:

Mr. Huyghebaert, to ask the Government the following Question No. 1048:

To the Minister of Finance: (1) In the fiscal year 2005-2006, how much money was collected through the environmental tax? (2) What amount of the funds collected was allocated to the General Revenue Fund? (3) Were funds collected through this tax allocated to any other agencies? (4) If so, which agencies, and how much did each agency receive?

Mr. Huyghebaert, to ask the Government the following Question No. 1049:

To the Minister of Finance: (1) In the fiscal year 2004-2005, how much money was collected through the environmental tax? (2) What amount of the funds collected was allocated to the General Revenue Fund? (3) Were funds collected through this tax allocated to any other agencies? (4) If so, which agencies, and how much did each agency receive?

Mr. Huyghebaert, to ask the Government the following Question No. 1050:

To the Minister of Finance: (1) In the fiscal year 2003-2004, how much money was collected through the environmental tax? (2) What amount of the funds collected was allocated to the General Revenue Fund? (3) Were funds collected through this tax allocated to any other agencies? (4) If so, which agencies, and how much did each agency receive?

Mr. Huyghebaert, to ask the Government the following Question No. 1051:

To the Minister of Finance: (1) In the fiscal year 2002-2003, how much money was collected through the environmental tax? (2) What amount of the funds collected was allocated to the General Revenue Fund? (3) Were funds collected through this tax allocated to any other agencies? (4) If so, which agencies, and how much did each agency receive?

Mr. Huyghebaert, to ask the Government the following Question No. 1052:

To the Minister of Finance: (1) In the fiscal year 2001-2002, how much money was collected through the environmental tax? (2) What amount of the funds collected was allocated to the General Revenue Fund? (3) Were funds collected through this tax allocated to any other agencies? (4) If so, which agencies, and how much did each agency receive?

Mr. Huyghebaert, to ask the Government the following Question No. 1053:

To the Minister of Finance: (1) In the fiscal year 2000-2001, how much money was collected through the environmental tax? (2) What amount of the funds collected was allocated to the General Revenue Fund? (3) Were funds collected through this tax allocated to any other agencies? (4) If so, which agencies, and how much did each agency receive?

The following Questions were given notice on day no. 45 and are to be answered by day no. 50:

Mr. D'Autremont, to ask the Government the following Question No. 1054:

To the Minister Responsible for Information Services Corporation: Did management of the department have established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2001?

Mr. D'Autremont, to ask the Government the following Question No. 1055:

To the Minister Responsible for Information Services Corporation: Did management of the department have established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2002?

Mr. D'Autremont, to ask the Government the following Question No. 1056:

To the Minister Responsible for Information Services Corporation: How did management of the department monitor any established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2001?

Mr. D'Autremont, to ask the Government the following Question No. 1057:

To the Minister Responsible for Information Services Corporation: How did management of the department monitor any established programs and controls to mitigate fraud risks or to help prevent or detect fraud in the year 2002?

Mr. D'Autremont, to ask the Government the following Question No. 1058:

To the Minister Responsible for Information Services Corporation: (1) Does management of the department have any knowledge of any actual or suspected fraud or illegal activity within the department during the year 2001? (2) If so, what is the nature of this activity?

Mr. D'Autremont, to ask the Government the following Question No. 1059:

To the Minister Responsible for Information Services Corporation: (1) Does management of the department have any knowledge of any actual or suspected fraud or illegal activity within the department during the year 2002? (2) If so, what is the nature of this activity?

Mr. D'Autremont, to ask the Government the following Question No. 1060:

To the Minister Responsible for Information Services Corporation: What did management of the department find as a result of its monitoring of any established programs and controls to mitigate fraud risk or detect fraud in the year 2001?

Mr. D'Autremont, to ask the Government the following Question No. 1061:

To the Minister Responsible for Information Services Corporation: What did management of the department find as a result of its monitoring of any established programs and controls to mitigate fraud risk or detect fraud in the year 2002?

Mr. D'Autremont, to ask the Government the following Question No. 1062:

To the Minister Responsible for Information Services Corporation: (1) Is management of the department aware of any allegations of fraud or other illegal activity within the department or its agencies in the year 2001, such as information received from employees, former employees, customers/clients, suppliers or others? (2) If so, what is the nature of the activity?

Mr. D'Autremont, to ask the Government the following Question No. 1063:

To the Minister Responsible for Information Services Corporation: (1) Is management of the department aware of any allegations of fraud or other illegal activity within the department or its agencies in the year 2002, such as information received from employees, former employees, customers/clients, suppliers or others? (2) If so, what is the nature of the activity?

The following Questions were given notice on day no. 46 and are to be answered by day no. 51:

Mr. D'Autremont, to ask the Government the following Question No. 1064:

To the Minister Responsible for Saskatchewan Government Insurance: (1) Does SGI have an agreement with Imperial Parking Canada to pass private client information over to Imperial Parking? (2) If so, has SGI tried to end this agreement?

Mr. D'Autremont, to ask the Government the following Question No. 1065:

To the Minister Responsible for Saskatchewan Government Insurance: (1) Does SGI pass any private client information to Imperial Parking Canada for any means? (2) If so, for what purpose? (3) How many referrals has SGI made to Imperial Parking Canada in 2005?

The following Questions were given notice on day no. 47 and are to be answered by day no. 52:

Mr. McMorris, to ask the Government the following Question No. 1066:

To the Minister of Health: How many stakeholders submitted reports for the review of the Saskatchewan Cancer Agency?

Mr. McMorris, to ask the Government the following Question No. 1067:

To the Minister of Health: (1) Will the phase one report on the review of the Saskatchewan Cancer Agency be tabled in this Legislative Assembly? (2) If so, when can the Assembly expect this report to be tabled?