



Standing Committee on Crown Corporations

Hansard Verbatim Report

No. 6 – April 5, 2001



Legislative Assembly of Saskatchewan

Twenty-fourth Legislature

**STANDING COMMITTEE ON CROWN CORPORATIONS
2001**

Andrew Thomson, Chair
Regina South

Kevin Yates, Vice-Chair
Regina Dewdney

Graham Addley
Saskatoon Sutherland

Greg Brkich
Arm River

Yogi Huyghebaert
Wood River

Lindy Kasperski
Regina Sherwood

Warren McCall
Regina Elphinstone

Don McMorris
Indian Head-Milestone

Peter Prebble
Saskatoon Greystone

Brad Wall
Swift Current

The committee met at 09:33.

The Chair: — Good morning. Thank you all for joining us this morning, for attending. I want to call the meeting to order.

There are, at this point, three items of business on the agenda: election of the Vice-Chair, discussion of our meeting schedule, and discussion of our work plan.

Before we move on, are there any items members want to add? Okay. We'll proceed then onto the election of the Vice-Chair.

Let me start by saying that there have been some committee changes, some changes to the committee in terms of membership. And I'd like to thank — even though they're not here — I'd like to thank Mr. Harper for serving on this committee, Mr. Elhard, and Mr. Heppner for the work that they have done previously on this committee.

Mr. Harper has gone over to PAC (Public Accounts Committee) and was previously our Vice-Chairman. This requires us to proceed with the election of a new Vice-Chair. And so before we proceed with the business of the committee, I would call for nominations for the position of Vice-Chair. And I'd recognize Mr. Addley.

Mr. Addley: — I move that Kevin Yates be elected to preside as Vice-Chair of the Standing Committee on Crown Corporations.

The Chair: — Mr. Addley's put forward the name of Mr. Yates. Are there any further nominations? A motion to cease nominations? Mr. Prebble. Mr. Prebble has moved that nominations cease. Are we in agreement? All those in favour? All those opposed, if any?

Okay. Now I am told that we require a motion. Mr. Addley has moved — I have it here in writing — moved:

That Kevin Yates be elected to preside as Vice-Chair of the Standing Committee on Crown Corporations.

Any discussion? I should just note that this is a thankless task that comes with no additional pay and no additional perks, but . . . no additional say. Are there any discussion? All those in favour? All those opposed?

The motion is carried.

I declare Kevin Yates is elected as the Vice-Chair of the Standing Committee on Crown Corporations.

Okay, We have two items in front of us this morning. And I wanted to discuss, first of all, was the meeting schedule. It is traditional that this committee, as I understand it, meets on Thursday mornings. Public Accounts usually meets on Wednesday mornings while the House is in session. We are prohibited from meeting while the House itself is sitting, which leaves us basically with mornings and evenings.

I would recommend that we proceed with Thursday morning meetings from 9:30 to noon. Are there any . . . 11:30? Is that

fine with opposition?

Mr. McMorris: — What was the time again?

The Chair: — 9:30 till 11:30.

Mr. McMorris: — Okay.

The Chair: — Okay, can I have a motion to that effect then?

Mr. Addley: — So moved.

The Chair: — Mr. Addley. Okay, it's moved:

That the Standing Committee on Crown Corporations establish a regular meeting schedule as follows: Thursday mornings from 9:30 a.m. until 11:30 a.m.

Any discussion? All those in favour? All those opposed? It's carried.

And there are a series of items that we need to take a look at in terms of our work plan. We had previously met and had some overview of the Crown corporations. I believe CIC (Crown Investments Corporation) made a presentation to the committee in terms of how they were organized.

I recognize that there are three new members on here and I'd like to welcome Mr. Wall, Mr. Huyghebaert, and Mr. McCall to the committee. Given that the majority of the committee has remained constant, membership has not changed to a great deal, I don't know that there's a necessity for us to repeat the orientation session. However, I'm sure that CIC would make themselves available for members if they're interested in taking a look at that package.

There are a series of things we need to take a look at. This committee has not dealt with the 1998 or 1999 annual reports of the Crown corporations. It's my understanding that the year 2000 report should be tabled within the next month, if I'm not mistaken. And we had previously discussed that we would deal with the '98 and '99 reports concurrently.

I'm going to suggest that we add on to that the year 2000 reports when they become available and are referred to us, that we deal with them concurrently. Is there any dissent or any concern with us proceeding in that . . .

Mr. Wall: — What's your understanding of the timeline for the 2000 annual reports?

The Chair: — The statutory requirement is that they be filed with the Assembly within 15 sitting days of the end of the fiscal year and this should be, if I'm not mistaken, end of April. So we should have it referred to us by the beginning of May.

From what I can see in terms of our work time, we have the annual reports. We have a series of significant transaction reports that have been filed with us and that we've forwarded on to members. Those are the two most significant ones — the annual reports for each of the Crown corporations and the significant transaction reports. And I believe there are nine of

them which have been sent out to members over the time period.

I'm going to recommend — and I'm not by any means trying to stifle debate or anything of that nature — but I would suggest that what we deal with is the annual reports and, in the process of those discussions with the Crown Corporations, that we deal with any significant transaction items that come up under that.

It seems to me that most of them, probably half of them at this point, deal with CIC and their investment arm. It would seem to me that we should start by scheduling in CIC. And it would probably take us some weeks to go through their report for '98-99 significant transactions and by that time we should have the 2000 report tabled.

Now normally, this committee would restrict its conversations with officials to the '98 and '99 years that have been referred to us. I'm going to take some latitude — because we haven't seen the 2000 report yet — to allow us to discuss items within that 2000 year as well with the CIC officials pending the tabling of their report with this committee.

So if we are agreed, what I will ask is that we call CIC before the committee for . . . I guess next week is Easter week. We won't be able to meet next Thursday because of the early meeting date for the Assembly, so the subsequent Thursday, April 19. If we are agreed, I'll make arrangements for the CIC officials to appear before us then.

Perhaps the other thing we should do — and I'll ask the Clerk of the committee to do — is to make sure that new members receive copies of the significant transaction reports. And I think all members have copies of the annual reports but I'll ask the officials to bring additional copies for the committee.

Mr. Prebble: — Just another suggestion for our three new members. We might want to if it's possible, to have xerox . . . or make additional copies anyway of the transcripts of the orientation. That I think might be very useful for our three new members. So you can at least read what was . . . the presentations that were made. It's quite a useful background material.

The other thing I was going to inquire into, Andrew, was . . . I don't know whether for the 26th, it's possible for CIC to have their 2000 report ready for us to look at. Is it possible to make an inquiry in that regard?

The Chair: — Well we can, we can ask about that.

Mr. Prebble: — Because the sooner we have . . . If they're before us and we're considering 2000 information, the sooner we have their 2000 report the more productive our sessions are going to be. Because I suspect that while I know there will be questions about '98 and '99, but the . . . I think members will want to ask correct questions and it's difficult to do that without the report. It may not be possible of course. I mean we may have to wait until early May before we have the . . .

The Chair: — I'll pursue that with the officials and see if that's possible. At the very least they may be able to give us a verbal overview of some of the activities during the 2000 year. And of

course, we do also have the transactions, the . . . (inaudible) . . . transaction reports, which I suspect members will want to discuss to some extent.

In terms of moving on to other . . . the order of how we deal with other committee business, it would seem to me that we should dedicate the majority of our time to discussing the large investments in the Crown corporations. Obviously the utilities — SaskEnergy, SaskPower, SaskTel, SGI (Saskatchewan Government Insurance) — and in the past this committee has invited STC (Saskatchewan Transportation Company) to appear.

There has been the addition of the new . . .

Mr. Yates: — Land Information Corporation.

The Chair: — Mr. Yates is right. The Land Information Corporation has been added as a Crown corporation since we have last met. And I would suggest that as they are a new Crown corporation — once their report is tabled in the House — that we should invite them to appear before us.

I'm going to be looking largely to members of the opposition for them to provide me with a list of some order on how they'd like these corporations called, and would suggest that perhaps Mr. Wall, you and I can sit down and work out a more detailed work plan once we get into early May.

Are there any other corporations that we may be wanting to call at this point?

Mr. Brkich: — Sask Water.

The Chair: — Mr. Brkich has asked about Sask Water. Okay. I'll inquire about that as well. Certainly we can . . . we can call Sask Water, and I'll add them to the list.

Okay, any other items in terms of our work plan at this point, then? Mr. Wall? Okay. Government members? No.

The final item I would mention is we had previously discussed the possibility of taking a look at some of the Crown investments directly. In particular we had talked about taking a look at the research parks possibly here, in Saskatoon and Regina, in terms of SOCO's (Saskatchewan Opportunities Corporation) investments in those.

With the heavy workload that we have in terms of going through the annual reports, and the fact that this committee hasn't really met since the Channel Lake inquiry, it would seem to me that we should probably dedicate ourselves, first and foremost, to going through the annual reports and significant transactions. But perhaps during the intersessional period we may want to take a look at, first-hand, some of those investments that have been made in terms of the research parks or the Meadow Lake pulp mill, or other activities.

But for the time that we're in the House, it would seem that we should, I would think, dedicate ourselves to the annual reports. Mr. Wall?

Mr. Wall: — To the extent that . . . well, it sounds, Mr.

Chairman, that you're wanting to have CIC here first before we get to the major Crowns. And I think there are some questions that members will have of CIC investments, and you've mentioned a couple. There are others as well, and I hope we wouldn't, sort of, restrict that . . . that meeting with CIC officials to the extent that we'd rule out those kinds of questions on the investments.

The Chair: — The III Investments or CIC III, sometimes as it's called, certainly we can have those discussions.

In terms of investments that would fall under SOCO or others, I would suggest we may want to call those officials specifically.

But certainly we'll allow the discussion of anything under the III portfolio and we'll ask that they make sure they have the appropriate officials here to deal with those.

There are an additional set of items that we need to discuss at some point how to approach, and that is a series of recommendations coming out of the Public Accounts Committee dealing with the Provincial Auditor's reports over the last I think three reports that have been reported to the Assembly, that they — they being Public Accounts — would like the Crown Corporations Committee to review.

The House has not made a referral motion of those items to us and at this point my recommendation would be that, given the workload that we have in front of us with three year's worth of annual reports, that we should probably postpone any requests for those to be referred to us until perhaps we have a better idea of what our workload is like. We can discuss that as it goes on.

Mr. McMorris: — I mean, I sat on the committee last year, but we didn't get to any of the annual reports and this is pretty new to me. How long does it take on average to go through, you know, the annual reports? I'm sure the year 2000 will take a little bit longer, but for '98 and '99, what kind of a timeline are we looking at?

The Chair: — Well I suspect government members will not have a great number of questions on these items.

I would think for CIC, given the items including the significant transaction reports, that if we discipline ourselves within a period of probably six hours of discussion, we could deal with CIC. So that will be three meetings.

If it looks like we're moving more quickly, certainly we can move up the schedule. CIC, my experience is, takes a little longer than most because it just has such a breadth of items within it. Obviously as we get into Sask Water or SaskEnergy or SaskPower, those will move more quickly.

There are obviously a series of things which we aren't able to deal with. For instance, in SGI we won't be dealing with the question of the personal injury protection plan because that falls under a different committee established by the legislature. Certainly the discussion about how that impacts on the financial statements of the Crown we can get into, but the actual details of the program which fall outside of this committee, or at least . . . especially in terms of the review that has gone on. SaskEnergy, SaskPower — I guess it's really up to the members

here as to how many questions they want to ask and in what areas. But I would suggest once we get into the actual utilities, probably a couple of weeks worth of discussion, then we'll be able to move on.

I would like it very much if we were able to deal with the major Crowns by the end of June or at least a good number of them; move through SaskPower, SaskEnergy, hopefully SGI and CIC by the end of June.

Are there any other comments members want to offer in terms of our work plan? No. Seeing none then what I'll endeavour to do is bring back . . . is perhaps Mr. Yates and I and Mr. Wall can sit down and work out as an ad hoc steering committee some of the details around when we'll have officials available. Okay, agreed? Agreed.

I have no other items of business on the agenda. Are there any items members want to raise? No. Seeing none, I will accept the motion to adjourn. Moved by Mr. Wall. All those in favour? Agreed. We are adjourned until Thursday, April 19 at 9:30 a.m.

The committee adjourned at 09:52.