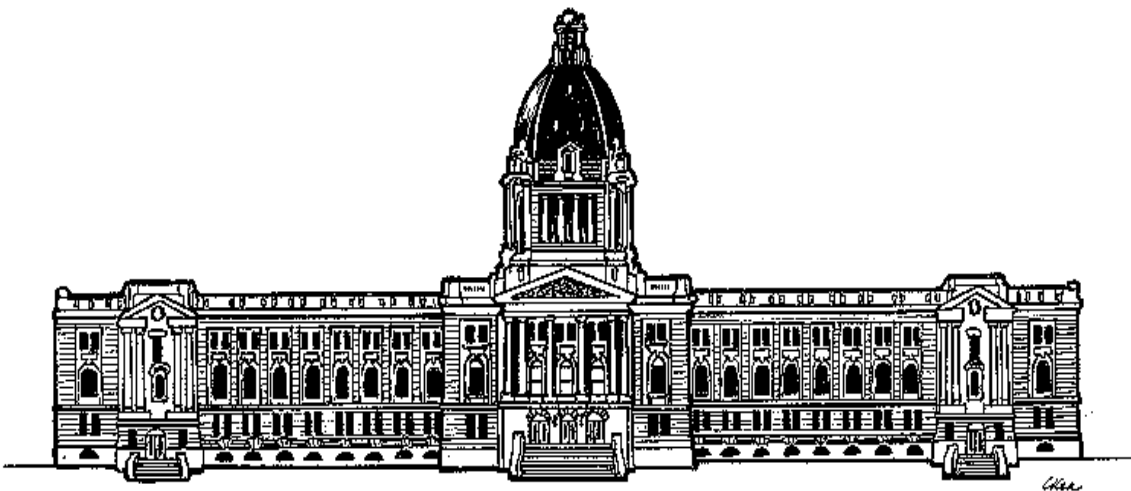




STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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**STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES
2004**

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Cypress Hills

Mr. Dan D'Autremont
Cannington

Mr. Andy Iwanchuk
Saskatoon Fairview

Mr. Warren McCall
Regina Elphinstone-Centre

Hon. Maynard Sonntag
Meadow Lake

Mr. Randy Weekes
Biggar

The committee met at 15:00.

The Chair: — Order. I call to order the Standing Committee on Crown and Central Agencies. The first item before the committee is Bill No. 12, The Purchasing Act, 2004, and then after that will be the estimates for the Saskatchewan Property Management Corporation.

Bill No. 12 — The Purchasing Act, 2004

Clause 1

The Chair: — I invite the minister to introduce her officials and if she wants, make a brief statement concerning the Bill.

Hon. Ms. Higgins: — Well thank you very much, Mr. Chair. I am very pleased to be here this afternoon to discuss Bill 12, The Purchasing Act, 2004. With me today are Donald Koop from Saskatchewan Property Management Corporation, vice president of commercial services; and Rob Isbister, director of the purchasing branch.

In 2002 SPMC (Saskatchewan Property Management Corporation) developed an action plan on procurement designed to make it easier and less expensive for suppliers to do business with government and to optimize the economic benefit from provincial procurement activity. As part of that process, SPMC consulted with its clients and members of the Saskatchewan supplier community. We are pleased that the changes to The Purchasing Act that we are considering today provide a foundation to meet the objectives of the action plan and are responsive to the feedback that we received from those with whom we consulted.

The major changes are as follows: strengthening our mandate makes it easier for other public agencies to work with the province on joint purchasing activities; the introduction of options for preferential awarding on tenders that fall below the thresholds set by the Agreement on Internal Trade for the environmentally friendly products or Saskatchewan suppliers; the ability to apply the same policies and procedures to tenders for services as those used in the tenders for goods; and expanding the options for disposing of surplus goods to include donating items no longer required by government.

The Purchasing Act was established in 1978 and last amended in 1988. And because of the age of the current Act and the numerous wording changes that are required to update the language in the legislation, it was recommended that the Act be revised and repealed and . . . revised to repeal and replace The Purchasing Act in its entirety. As such the new Act will include more modern language and a number of administrative and housekeeping updates.

SPMC is also planning changes to The Purchasing Agency Operating Regulations to be consistent with the proposed legislation and to provide the detailed manner in which supplies will be acquired and disposed of. My officials and I will be pleased to answer any questions that the committee members might have regarding Bill 12.

The Chair: — Clause 1, short title. I recognize Mr. Brkich.

Mr. Brkich: — Thank you, Mr. Chairman. I would like to welcome the minister and officials here today. We have a few questions with this particular Bill. I guess we'll start with the purchasing agreement.

I take it that it always was kind of in existence, but I'll use the health districts as an example because they would probably purchase stuff, some of the stuff would be in millions of dollars — excess. In the Bill it doesn't really talk about due tendering. Does that . . . What would be your direction with this particular Bill that they would still have to tender? Do they tender for products out? Or is it up to SPMC to pick a particular supplier and purchase?

Hon. Ms. Higgins: — Mr. Chair, what this Bill covers is direct government agencies, boards, and commissions. And what it allows for . . . that it is competitive pricing that we are after. And it will be done in any number of ways. It could be quotes. It could be tenders. It could be RFPs (request for proposal). But what this Bill does do is allow the health districts and SAHO (Saskatchewan Association of Health Organizations) to go together to look at larger bulk purchases. It allows that, but it doesn't require it. So the option remains with the agency as to whether they want to deal through SPMC with other agencies or not, or continue on the way they are doing it.

Mr. Brkich: — Thank you, Mrs. Minister. The question was — weren't they allowed to do that before? Because I would guess that our health district was doing some joint purchasing with other ones, so what would be the idea of legislation if they were already allowed to do that?

Hon. Ms. Higgins: — Mr. Chair, what this Bill does is really give some clarification. To the member's question, when you talk about health district to health district or health board to health board and arrangements they have, that is between the districts or the health authorities and those will continue.

But what this does is clarify the language in the legislation so it offers the opportunity that if SPMC can jointly partner with these groups to increase bulk purchasing . . . When you look at the old legislation it may or may not have had that option or opportunity, so what the new piece does is clarify it, that if one of these agencies does wish to come on board with SPMC and do a larger bulk buy or to piggyback on top of bulk buying that SPMC may already be doing. It clarifies the language that they are clear and that they have the opportunity to do that.

Mr. Brkich: — Thank you, Madam Minister, that . . . which is good. The only concern with that, you haven't addressed, is actually the tendering. Because it has been raised to us that there isn't a written in tender, that it should go to tender. We look at what's happening at the federal scene right now, a lot of that was because there was money put out to agencies that basically . . . and it wasn't tendered. And look at the trouble that's happening there.

So it's been pointed out from a couple of companies that they would like to be able to tender if SPMC does partner up with . . . because it would be, like you say, bulk buying. And it could be in the excess of hundreds and thousands of dollars, maybe even close to a million dollars.

And me personally, I feel to protect the government and to protect yourself and the agency, that basically it should be tendered out when you're doing large bulk purchases which . . . Does the Bill kind of address that?

Hon. Ms. Higgins: — Just to give a wee bit of background. In December of 2002, SPMC released a paper, a discussion paper on procurement. And in January of the following year, there was a forum that was held in Saskatoon where over 700 suppliers attended. And this was the discussion of how can Saskatchewan businesses access government contracts and tenders, and what's the process.

And what SPMC wanted to do was to make businesses, small and large, aware of the processes that we use, the availability of tenders, how we let tenders, what criteria is expected — but to give them the information so they had easier access to government and access to the process of tendering that we do through government, through SPMC.

Section 4 of the new Bill actually speaks to the threshold for tendering. Tendering is still a requirement. When you get into especially the larger, significant value tenders that may be out there, that is still a process that we will follow. We are still looking for the best value and competitive pricing, but we are still looking at making that accessible to Saskatchewan suppliers. I mean that's a requirement and that's not anything we're going to do away with.

You also have to look at the requirements into agreements in internal trade. There's thresholds that, above that limit we have to go through a nationally accepted tendering process. So there is many requirements. And what we are looking in some areas of this Bill, is looking at the threshold. It would be under the \$5,000 limit for goods.

Mr. Brkich: — Madam Minister, I take it, because what I was looking for if there . . . what was the threshold, the number. Are you saying it's anything over \$5,000 will be tendered out?

Hon. Ms. Higgins: — With this piece of legislation, below the \$5,000 limit departments will have the option of using the quotes, and we expect that multiple quotes to receive the best pricing possible will be used. But when you get over the \$5,000 limit, we have a process where it would be advertised and tenders would be used.

The Chair: — Mr. Weekes.

Mr. Weekes: — Welcome to the minister and her officials. Just a clarification on the dealings with health districts, if you could clarify it — you're saying the health districts are under no obligation to join with SPMC to purchase their supplies? And a second part to that question is, is there any direction to the health districts concerning purchasing in the province or locally?

Hon. Ms. Higgins: — Just for clarification, what these changes do is they allow the government to work with groups such as health districts, schools, or municipalities. The changes in the Act strengthen the mandate and provide clarification for the acceptance of this . . . acceptability.

We do work with a number of groups in a number of areas. Some existing examples are there are a number of school divisions that access the government's fuel standing offers, and the government works with the federal government to establish plumbing and electrical offers for Saskatchewan, and purchasing works with SAHO on linen contracts. So there is a number of areas where this goes on.

The legislation clarifies the language, clarifies the options, but it is not mandated to the health districts. But as I say, there is a number of areas where there is interest already and I'm sure, as we get into . . . I mean, the best use of resources that are available that these partnerships may grow, but that's really up to the health districts and the authorities.

Mr. Weekes: — Thank you, Madam Minister. Just another follow-up question on groups or companies that would like to deal with SPMC — is there a list that they can put their name on, to be given the option of putting a tender in on products? And just could you explain what a business that's — say — situated in Biggar, Saskatchewan, can do to tender with the government?

Hon. Ms. Higgins: — For the member opposite, there is no requirement for registration to be on a supplier list. What happens now, all of the tenders are listed on the Web site, sasktenders.ca, and on the MERX system, which is accessible through any on-line computer where tenders can be pulled off with the information that's needed.

Also, most tenders — or larger tenders for sure — would be advertised through newspapers, but those Web sites are accessible to anyone, with the information on them.

The Chair: — Mr. Brkich.

Mr. Brkich: — Thank you, Mr. Chairman. It says this legislation could allow for green procurement policies for a particular commodity. I'll . . . asking, would that allow you to bulk purchase power from — let's say — from SaskPower under their GreenPower program, which is higher than the normal, for the buildings you own?

Hon. Ms. Higgins: — When we're talking about the energy-efficient purchases, what we would be looking at is energy upgrades for buildings; the purchasing of products, whether it be windows, energy-efficient lighting; upgrading the efficiency of buildings to save energy and the products that would go into that project. It also could be recycled products. So there's a number of areas that SPMC is doing work in.

Now outside of The Purchasing Act, SPMC does purchase wind power from SaskEnergy and has from the very beginning of the project.

Mr. Brkich: — Thank you, Madam Minister. Do you purchase the higher wind energy power for every SPMC building?

Hon. Ms. Higgins: — For the member opposite, I guess it's my fault; we're kind of straying off the topic of The Purchasing Act.

But in response to the question, SPMC purchases between 15

and 20 per cent of the power requirements through SaskPower — the wind power. I said SaskEnergy previously; it's SaskPower.

Mr. Brkich: — Thank you. I guess we'll get back to the Bill then. We can deal with some of that stuff in estimates.

But under the donating the surplus items to community organizations, I take it that's a new program. I don't think you did that before. How is that going to work? Who's going to pick the organizations? What items will . . . Naturally it will probably be the director that determines what items are no longer used, for sale . . . where it doesn't actually cost . . . prohibitive to move them on. But who will be determining the charitable organizations, or have you kind of formulated a procedure of where they can make requests to SPMC for items that they will need, and then you can handle it that way? Or do you have another system you are looking at?

Hon. Ms. Higgins: — What this is, is a new program and it's going to be called community donations program. What it will be for is office goods and supplies that are surplus and no longer needed by government. Right now what we do is . . . the surplus goods will be gathered, and there will be auctions. But quite often the auctions and the process of putting an auction on cost more than what you receive in return for the goods that are purchased. Quite often too you see community organizations that quite often run on a voluntary basis that are doing work to raise funds for their communities, but are struggling to maintain the basic necessities of what they need to run their operation.

So with this suggestion, what it will do is make the surplus office furniture and supplies available to community organizations. And what will happen is once, say it's a piece of furniture . . . is deemed surplus for government use . . . And before we reach that, if a department doesn't need or if an organization doesn't need X piece of furniture, it will be offered to other government departments to make sure someone else can't make use of this piece of furniture or whatever it is before it will be posted. Once it's surplus for government use, then it will be posted on a Web site.

Community organizations that have an interest in that piece of furniture will be able to put their name in on that piece of furniture through the Web page. And what will happen is there will be a draw. It will be posted for — say — a week. And of the organizations that have an interest in that, there will be a name selected from those groups. They will have a responsibility for picking up the furniture or whatever the item is, to have it delivered to wherever their space is or their office is.

I think it will benefit many community organizations and it's . . . Anything that is historical will be kept by SPMC. There will be nothing disposed of that has a historical significance or is considered antique. I mean, you see many of the pieces of furniture around here. Those will be retained by SPMC. It will just be surplus goods.

Mr. Brkich: — Except Jason's chair. Thank you. And that's very good, but so far I only see a benefit to maybe big organizations that can monitor the Web site weekly.

I'll use an example in my constituency. There's lots of little charitable organizations. They're very small, don't . . . that are all volunteer, that maybe don't even have an access to a Web site or to a computer or the Internet or have time to monitor it weekly to check on that. How would you assist getting some of the office equipment to them or what would their avenue be if they were interested in . . . Let's say just a small organization that is looking for maybe three chairs and a desk. Would they be able to approach you and make that request in writing, and then when something came up, they would be put in the draw? How would that work?

Hon. Ms. Higgins: — At the beginning — well, it was late last year — we did a number of consultations on this project and the proposal of this project, and there was large and small organizations that were involved in the consultation process. They were all very supportive of the proposed layout of how this will operate.

With CommunityNet, I would say to the member that there is access through many libraries and schools. Now it may not be perfect. You may not have access on an ongoing basis. But this is not a program that would run for one week and may not be anything be offered for a period of time till, you know, for another week somewhere down the way. This will be a continuous project. As pieces are surplus, they will be offered on the Internet. They will be offered through the Web site for groups to put their name forward. We are going to, I mean, work that way, and so far it was acceptable to organizations.

And I mean that's the way it's been laid out, and we will get this off the ground that way, and we'll work from there. But so far the small and large organizations agreed with the way it's been set up to operate.

Mr. Brkich: — Thank you. I hope you will take that in consideration of changing a little bit because out . . . Well my town has no library and has no school. So there is no access to CommunityNet for the Internet.

I would hope you would take consideration maybe, you know, some written requests because there are very, I'm talking very small charity organizations or maybe just . . . that are maybe 10, 15 members. I'm just hoping that you would take that into consideration.

Also how would you . . . will you be doing any advertising or promotion on this for organizations out there that weren't at the meeting, smaller organizations will know about this particular program?

Hon. Ms. Higgins: — Currently what we're doing is working with the departments, so the departments understand how this will work and how surplus items will be posted on the Web site.

Once that process is completed, we are looking to have meetings at various locations around the province with CBOs (community-based organization) and community organizations . . . also getting the word out through the Premier's voluntary initiative — the voluntary sector initiative. And if you have worked with any community-based organizations and organizations around the province, word of mouth quite often is

the best advertising.

But there also . . . we're looking at the possibility of doing some advertising for the project, but we're not looking at big dollars. We're looking at through the systems that are already there, getting the word out that this is available and will be available.

The Chair: — Mr. Dearborn.

Mr. Dearborn: — Thank you, Mr. Chair. Thank you, Madam Minister, and welcome to your officials. I'd like to put on for the record since we have SPMC here, some of my questions are somewhat unstable. For the record, it's because I'm sitting in the member from Cannington's seat, not because of my mental demeanour.

And what I want to raise is with regards to acquisition of supplies for public agencies — 4, subsection (2), and a possible omission there. There's sections (a), (b), (c), and (d).

And what I have concerns with arises from questions I had coming out of Public Accounts on Tuesday requiring standardization in the purchasing of hardware and software. As I understand, Saskatchewan public management corporation does do the purchasing for various departments, yet we have problems, Madam Minister, in departments' computer systems necessarily being able to link one with another.

And this has been raised in the ITO (Information Technology Office) in estimates as well, and yet in this acquisition there's no . . . There seems to be no direction given here that the purchases would have to be consistent, one with the other. And it would seem that the place to start on all this would be when you're acquiring hardware and software. Could the minister please comment on that?

Hon. Ms. Higgins: — I believe, through a bit of discussion here, that the greater consistency in the IT (information technology) sector that you are referring to is something that falls more into the purview of ITO (Information Technology Office).

SPMC's mandate is to supply . . . well to provide supply and service to government departments. And we try to meet the requirements that the departments need to perform the jobs that they have and the roles that they play within their departments, and the requirements and the criteria that they have within those departments. We provide the supply and service to those departments. We don't mandate those requirements; those are established within the departments.

So when a department makes a request or is looking for hardware in this case, or software, we would endeavour to provide that service, provide the hardware, provide the software at the best possible price. But we don't mandate what they require within the department.

There is a piece in the legislation, when you look at 4(2)(b), combining the requirements for two or more public agencies for common or similar supplies. So we try to maximize the buying power we have, maximize the role that we play to all the government departments. But we don't mandate what the departments require to provide the services within the

department.

Mr. Dearborn: — Thank you, Madam Minister. Madam Minister, yesterday at the committee meeting, the members working for SPMC said it had been the direction that — or the goal rather — that this be fulfilled. And he explained in part that, you know, it used to be simpler when it was basically on a mainframe system, it was centralized, that the advancement of desktop computers has changed this and whatnot.

At the same time earlier in the session we've heard from the ITO through estimates saying that they . . . it is their desire that all the departments will have systems that will be able to interface one with another. And so it just seems to me that the starting point of all this is, in any new procurements, that they be compatible with . . . that there has to be a direction set.

So is the minister saying that the ITO department, or from the ministry of the ITO, has given no direction to the public service, or to SPMC rather, on procurement?

Hon. Ms. Higgins: — SPMC has not been given any directive from ITO to move to common systems, I mean, from all the information that I have, that I know. But here, I'm speaking outside of really where I should be. This is something you should be addressing to ITO. I mean that is the intent, is that we would move to more common systems for better accessibility.

But you also have to keep in mind the requirements within each of the departments may be different. So you are working with equipment that you currently have and looking towards the future. So it's a fine line that you balance to improve what you have, try and improve the consistency and the accessibility between departments, but you are still working with equipment that is already there.

Mr. Dearborn: — Thank you, Madam Minister. I don't think I can have a follow-up question. I put these questions forth to the minister responsible for ITO and he's outlined what the goals are.

But it seems to me that if it doesn't start with the Saskatchewan Property Management Corporation in the purchasing and having specs on what our government is going to have for its IT, that there really isn't a plan and we're not in a system that's going to be going forward.

And it causes me great concern because, I think, in private industry, if you had a company that for all fairness, you know, has a \$6 billion budget, they have an IT department that has things configured right through the buying and, you know, the tech support and what not. And I'm very concerned that this hasn't been forwarded to SPMC or that, as you've said, you haven't received direction from this. And yet, on the other side of the coin, the Minister says this is what we're working towards.

So I can't follow up with a question. I think you've answered what I've asked of you and I thank you for that. But I would hope that the minister would contact the ITO and question them whether there needs to be an addition with regards to an amendment in section 4(2) with another letter around compatibility for hard and software in IT.

I thank the minister for her answers and her time.

The Chair: — Mr. Brkich.

Mr. Brkich: — Thank you, Mr. Chairman. At this particular time I have no more questions on this particular Bill and I don't think any other committee members have at this . . . Unless the ones opposite do.

I want to thank Madam Minister for providing the answers and her officials for coming here, and we can move this Bill forward if it pleases the chairman.

The Chair: — It pleases the chairman. We'll find out if it pleases the committee.

Clause 1 short title, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — That is carried.

Clause 1 agreed to.

Clauses 2 to 16 inclusive agreed to.

The Chair: — Therefore Her Majesty by and with the advice and consent of the Legislative Assembly enacts as follows: Bill No. 12, An Act respecting Government Purchases.

I would require a member of the committee to move that the committee report the Bill without amendment. I recognize Mr. McCall.

Mr. McCall: — I would so move, Mr. Chairman.

The Chair: — Mr. McCall has moved that the committee report the Bill without amendment. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — That is carried. Thank you, members.

The committee agreed to report the Bill.

The Chair: — The next item before the committee is the consideration of estimates for Saskatchewan Property Management Corporation. And that is found on page 121 of the Estimates book. We'll take a brief moment while officials get reset.

I just wanted to indicate to members, a letter from the Public Accounts Committee has been distributed. If you would like to review that, there is a concurrence motion that we are required to pass either at today's meeting or we can hold off until next week's meeting, whatever the pleasure of the committee is. So we'll take a brief two minute recess.

The committee recessed for a period of time.

The Chair: — Okay. Just before we begin with the estimates, the committee has received a letter from the Chair of the Public Accounts Committee recommending candidates to be appointed

to the Audit Committee. Mr. McCall, I understand you have a motion.

Mr. McCall: — Mr. Chair, I would move:

That the Standing Committee on Crown and Central Agencies concur with the list of candidates to serve on the Audit Committee selected by the Standing Committee on Public Accounts and that the Chair send a letter confirming agreement with the selection of candidates.

I so move.

The Chair: — It has been moved by Mr. McCall that the Standing Committee on Crown and Central Agencies concur with the list of candidates to serve on the Audit Committee selected by the Standing Committee on Public Accounts and that the Chair send a letter confirming agreement with the selection of candidates. Is this agreed?

Some Hon. Members: — Agreed.

The Chair: — That is carried.

Motion agreed to.

General Revenue Fund Saskatchewan Property Management Corporation Vote 53

Subvote (SP01)

The Chair: — We will now move to the estimates for SPMC and I recognize the minister to introduce her new officials.

Hon. Ms. Higgins: — Thank you very much, Mr. Chair. I would like to introduce the members that are here with me today to the committee, six officials from Saskatchewan Property Management Corporation. To my right is Mr. Ray Clayton, president of SPMC; to my left is Mr. Garth Rusconi, vice president of accommodation and services; to my far right is Mr. Donald Koop, vice president of commercial services. And sitting behind us here is Ms. Debbie Koshman, vice president of corporate support services; Mr. Phil Lambert, vice president and chief information officer, information technology; and Leanne Forge, of financial services.

Mr. Chair, I would like to thank them for coming before the committee today. SPMC is dedicated to providing a diverse array of services to government departments, Crown corporations, boards, agencies, and commissions. By meeting the accommodation and program related needs of these clients, SPMC enables its clients to focus their energy on delivering government programs to the people of Saskatchewan. This centrally coordinated approach helps to reduce costs both in terms of dollars as well in terms of administrative effort.

During the past year, SPMC has had the distinct honour of managing the Wascana Lake urban revitalization project. Although certainly not a typical project by any means, the Wascana Lake urban revitalization project exemplifies the corporation's ability to manage significant projects and work co-operatively with other levels of government in a shared goal.

More typically, however, SPMC's focus is on the sustainability and maintenance of the 550 properties it owns and manages in communities throughout the province. In the coming year, SPMC will continue its work of investing capital funds in ways that ensure long-term sustainability for these buildings. This will include addressing code issues in aging facilities, as well as the continuation of work being done to increase accessibility in provincially owned and operated buildings across the province.

SPMC's role as a service provider extends well beyond the realm of property management into areas such as purchasing, transportation, and warehousing. And this goes with the Act that was just moved on, Mr. Speaker, The Purchasing Act.

These new aspects that we just talked about in The Purchasing Act will support the province in fulfilling its commitment to make the most of the opportunities afforded it as a major purchaser of goods and services. SPMC provides many important support services to this province and it's my hope we will be able to expand on that further today, as we respond to questions from the members of the committee. Thank you very much.

The Chair: — Thank you very much. Provision of central services to government, (SP01).

I recognize Mr. Brkich.

Mr. Brkich: — Thank you, Mr. Chairman. I would welcome Madam Minister and her officials here again, back here.

I just have one little comment, one quick question, and then I'm going to turn it over to a couple of members that have questions that deal in their constituency.

The one comment I have — and it's been brought to my attention a couple of times really — is there is no smoking in this particular building, which is fine; that's the way it should be. But there also is no ashtrays outside. And I notice coming in the steps there's a pile of butts and it's kind of a mess. People coming here . . . it's been commented to me that a number of visitors have asked why are there butts and no ashtray outside. And you are going to have people that have to go out and smoke.

And the only reason I bring it up here is because we have . . . there was contact with your office over a while ago and I think you said you would look into it. And I noticed they're still not out there. They are at the back, but at the front I would like to see if you could put some ashtrays out there.

Hon. Ms. Higgins: — Thank you very much for your comments. There is ashtrays at the side entrances and at the back entrance, but I actually spoke to someone a couple of weeks ago about ashtrays or some kind of accommodation at the front — other than a sardine can that's sitting up on the window, I'm told. So no, thank you very much, and that's something that should be done.

This legislature is an absolutely beautiful building. And I'm sure you will agree every day you come to work it's a privilege to work here and it is a gorgeous facility. SPMC does a wonderful job in maintaining it and the surrounding grounds,

the work that's done on an ongoing basis. And it's little things like that that will improve it also. So thank you very much. We'll look into it.

The Chair: — Mr. Weekes.

Mr. Weekes: — Thank you, Madam Minister, and welcome to your officials again. A question concerning who SPMC rents office space from. Could you . . . Does SPMC and the department, does it have a list of buildings that they rent from in communities in Saskatchewan?

Hon. Ms. Higgins: — To the member opposite, this is basically what was asked in a written question. It is a substantial amount of information that we are currently compiling. So as soon as the list is completed and checked, we will be sending it over in the written questions. It will be tabled, but as yet we have a draft copy but we're still going through and checking to make sure the information is accurate.

Mr. Weekes: — Thank you, Madam Minister. The written question referred specifically to the town of Biggar and any tenders or leases for rent that . . . from communities or businesses in, or individuals, in the town of Biggar.

Hon. Ms. Higgins: — There was also a written question from the member from Arm River, who asked for a complete list of space that is either leased or owned and who it's leased from. And it was a fairly comprehensive list that he was . . . the questions referenced. So it is a substantial amount of information and we are currently compiling that.

Mr. Weekes: — Will the rates also be included in that list?

Hon. Ms. Higgins: — Sorry.

Mr. Weekes: — Will the rates that are being charged also be supplied?

Hon. Ms. Higgins: — Rate information is confidential and won't be supplied.

Mr. Weekes: — Thank you.

The Chair: — Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Minister, I was interested in the member's statement that the member from Walsh Acres did yesterday, talking about a Spring School sponsored by the Sask Federation of Labour and the Canadian Labour Congress. I understand that the event happened, according to the member's statement, last week and I also understand that that event took place at the Echo Valley Conference Centre, and similar events have taken place there for quite a number of years. And by your nodding, I assume my information is correct.

And I just thought I'd mention that. The member failed to say in her member's statement where the event took place and I presumed that perhaps it took place at the Echo Valley Conference Centre.

But what I'd like to deal with today is — I'm sure is no surprise

to you — is the Echo Valley Conference Centre. And certainly we dealt with in question period the brief that was presented to you last week by the community leaders from the Fort Qu'Appelle and Fort San area.

Just for information purposes, have you received many letters or faxes, e-mails or telephone calls, supporting their position and calling on an extension to the closure of this facility?

Hon. Ms. Higgins: — Within my office, there has been a couple of letters of support. There has also been some other letters of support, not necessarily for the community group, but in support of the Echo Valley Conference Centre itself and the historical position that it really maintains in Saskatchewan.

Not an outstanding number of letters, but yes, there has been a number. I couldn't give you an exact number off the top of my head.

Mr. Hart: — That's fine. But you have had some letters and so on, some communication from various groups and individuals calling in support of the Echo Valley Conference Centre? Have you received any letters of support for the position put forward by the community leaders in the Fort Qu'Appelle area from members of this Assembly?

Hon. Ms. Higgins: — Currently not to my knowledge.

Mr. Hart: — Well, Minister, I'd like to table a letter from the member from Regina Northeast who wrote to you on May 10 in support of the proposal put forward by the Qu'Appelle Valley community.

I find that rather interesting that a member from your own caucus would have to write you a letter. But I think it indicates that there are members on your side of the House that certainly support the position taken by the leaders of the community and for the support for the position that I put forward in question period earlier this week. And so if the clerks would like to provide the minister with this copy I would appreciate it.

Yes I'd like to table that please.

Now in our exchange in question period you had mentioned that the — and I'm quoting from *Hansard* — that the . . .

Mr. McCall: — Point of order.

The Chair: — Mr. McCall.

Mr. McCall: — My apologies to the member from Last Mountain-Touchwood, but I just wanted to be assured that the Chair will provide members of the committee with copies of that letter.

The Chair: — Yes. I was just double checking but yes, there has been a letter tabled, and we will be providing copies for all members.

Mr. McCall: — Thank you. And thanks to the member.

The Chair: — Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. In your response to questions in question period on May 10, you said that, "the mandate of Saskatchewan Property Management is to provide service and supply to government departments." And I guess my question is: has the mandate of SPMC changed within the last five years?

Hon. Ms. Higgins: — Just a comment to your previous reference to a letter and it being unusual. It's not unusual to receive letters from colleagues. It's done quite often as a way of expressing concerns of our constituents. We operate that way quite often. In fact, it is very common to send letters back and forth.

If I have a constituent that expresses a concern to myself and my MLA (Member of the Legislative Assembly) office . . . We wear many hats. Not only am I Minister Responsible for SPMC, but also other responsibilities. But I also bring with me my responsibility as a representative from Moose Jaw Wakamow. So if, as the member from Moose Jaw Wakamow, I have a concern to express, I would think nothing of directing a letter to any of the other ministers within the Government of Saskatchewan to be addressed through their departments. So that's not unusual. It's done all the time. So just to kind of clarify that.

Mr. Hart: — If I could just comment, Minister? I absolutely agree with you. Certainly it is incumbent upon all of us to represent our constituents' views.

I don't think the constituency of Regina Northeast extends to the Fort Qu'Appelle area though. And the letter specifically says, from the minister . . . member from Regina Northeast, says that he supports the position of the Qu'Appelle Valley community.

So I mean, there's a bit of a distinction here, and that's why I'm . . . If it had have been a letter from the member dealing with a constituency item, I don't think it would be that noteworthy. But I find that, in this case, it is more noteworthy. But it's just a point that I would like to raise at this time.

Now if you'd like to go on to my question, I'd appreciate it.

Hon. Ms. Higgins: — Well we could get into this a bit, but we'll save it for some other time over a cup of coffee.

The mandate of SPMC has not changed substantially over the last five years. But what has changed is the requirement for the services and supply that we provide to government departments to be done on a cost recovery basis. And you will agree that as the accountability has grown and the clarifications have been made in various areas — and I mean that's another fairly lengthy discussion — SPMC has a requirement to have cost recovery on the services that it provides.

And even now, when we are in a tight fiscal situation — we have brought down a fairly difficult budget — and there is even more requirements that we be accountable for the dollars that are spent and that those dollars that are provided to the Government of Saskatchewan through taxpayers' dollars and through other royalties and other ways that money flows into the GRF (General Revenue Fund), there is an accountability

and a higher scrutiny of the things that we do. There is also a higher requirement on SPMC to provide the most cost-effective services it can to the Government of Saskatchewan and all of its departments so that those departments can have more resources to provide services for the people of Saskatchewan that are expected from those departments.

SPMC has looked through budgets. We have been . . . I mean we scrutinize our budgets on a regular basis to make sure we are being the most cost effective we can in all of the areas that we deal with. And that has come through in budget decisions, probably some more noticeable now in that it is more public with the announced closure of the Echo Valley Conference Centre. SPMC is just not able to subsidize the conference centre to the tune of just under \$1 million a year. It is just not viable.

Mr. Hart: — Minister, I think most of what you said I would agree with except that the fact is — and I think you have said it publicly — that this Echo Valley Conference Centre has been losing money ever since SPMC has had the facility, some 10 years or more.

And so I guess the question is, if it's been losing money for the last 10 years, why didn't you and your government go to the community five years ago and say, look we've got a problem with this facility? We can't continue to subsidize it. Let's see if we can find a viable alternative for it, and we'll give you time. The community leaders say they need two years. There was an opportunity to do that in the past, and we've got the situation where the sea cadets have been using that facility and are the mainstay, as I understand, of that facility, the biggest revenue generator of that facility. You could've taken a proactive approach and allowed some time so that the community could've and private investors could've had some time to do a proper analysis of the community to see if there is a viable operation plan.

Now what the community and their leaders are saying is, look, six months isn't enough time. This is a huge facility; there's 200 acres there. There's a half dozen or more, probably more, close to a dozen structures in that facility. There was recent paving done to enhance the facility and so on. Something like this is . . . I am sure most people would agree that six months isn't enough time to really determine whether the operation of that facility is viable and to look for other alternatives for that facility.

And so my point to you, Minister, is that there was opportunity. You knew that this facility was losing money over the last 10 years. You could have had time. You had lots of time in the past to go to the community and say, let's see if we can find a solution to this. Now all of a sudden you've got them backed into a corner, and they're saying look, we just don't have enough time.

Hon. Ms. Higgins: — The member opposite referred to the period of time that SPMC has been operating the Echo Valley Conference Centre. And during that time SPMC has been hopeful and in fact worked towards attracting other clients to that facility to increase the usage and to make the centre more viable.

But the fact remains though there has been maybe some ups and

downs. We are still around one-third occupancy in the facility throughout the year. And it has just come down to that it hasn't been successful.

Also when we look at or when you talk about not enough time being given, the six months . . . the centre . . . notice was given March 31 with the six months kind of time limit on it, but the facility will be maintained and kept in working order. It's not that the world ends as of September 30. I mean the heat will be on. The building will be maintained, and there will be opportunity to continue working with groups that have an interest in the facility after September 30.

Mr. Hart: — Minister, I guess my comments . . . And I understand we're a bit under some time constraints, so I'll try and keep them fairly, my comments fairly short. I guess my comment would be, if SPMC couldn't find a viable alternative or at least a plan that would make the centre at least break even over a 10-year period, how do you expect private industry and the community to develop a plan over six months? That would be my comment in response to what you've just said.

And I would have just one question, and then my colleague from Indian Head-Milestone would like to ask a few questions.

At a public meeting Mr. Koop was kind enough to explain the standard disposal policy and provided me with a copy of that. And my question is — and I'm not going to get into the details — but if all else fails and no one steps forward to take on the operation of the facility or buys the facility, how long are you prepared to maintain it as far as minimal heat and security and then . . . So that would be one quick question.

And secondly, at what point in time will you consider tearing the place down, demolishing it and just offering the property for sale?

Hon. Ms. Higgins: — I would say to the member that you're kind of jumping ahead of the whole process here. There is an established policy when we deal with disposal of what would be considered a surplus site. There will be a number of groups that will be approached for interest in the site. We will take our time doing that to make sure that we are thorough in the discussions that are held. Also after that, there would be an assessment done of the site, and there would be, through a real estate, there would be a type of offering to the private sector to see if there was any interest there.

We're a long way from deciding, you know, what kind of disposal or what kind of end kind of projections that we have for the site. And it is a beautiful facility if you have ever been out there. It is a beautiful setting. We believe it is a setting that does have some good opportunities.

We will continue to look for interested parties that have proposals for the site, and we believe that it can be a viable site with the right partners in place. And we'll continue to work towards that. So I think we're really ahead of the game when we talk about what's the end game for Echo Valley Conference Centre.

The Chair: — Mr. McMorris.

Mr. McMorris: — Thank you, Mr. Chair. My question, I guess it's . . . my first one will be just a little bit of a leadoff of what my colleague said, and your answer about six months is enough.

The whole issue though centres around the sea cadet program. I mean, that's \$1 million revenue coming into that facility. The sea cadet program was a five-year lease and was extended last year to run through this year.

I think the point of did you . . . if you could have given the community some time to work and find an arrangement that would work for everybody while that sea cadet program was still in place. For lack of a better word, you've put a gun to their head and say you've got six months with the sea cadet program running out this year. I mean, the timing couldn't have been worse. Had you done it two years ago, with two years at least left in the sea cadet program, guaranteed 2 to \$3 million revenue coming in, and then say to the community you have got six months, a year to figure this out.

They don't even know whether that sea cadet program will continue on because of the uncertainty around the Echo Valley Conference Centre. So not only are you asking them to make a decision within six months, but it's within six months with the termination of the sea cadet program which, under most everybody's understanding, that if there was some sort of long-term structure, they may be interested in going into a ten-year agreement, renting that place for ten years which would be a \$10 million contract for the area and for the province — all money coming into the province.

But you've put them in a position to make a decision within six months without any guarantee of a contract. I think that's more than bad timing. That's unfair.

Hon. Ms. Higgins: — The sea cadet program is a federal program. There is no guarantee for any of us that it will stay there forever.

SPMC went ahead and negotiated a one-year contract to extend it through this summer, which actually gave I mean extra time to the centre. It gives the community that six months, when you go from March until the end of September, where there will be activity at the centre. And there will be time after that for proposals to come forward or for interested parties to do the work that needs to be done to look at the program.

We have no guarantee over what the federal government will do, whether they will keep the program ongoing — the cadet program — whether they won't. That's really separate from the decisions of the centre.

And it still gets back to the same fact that, as much as we have tried, the different things that have been tried at Echo Valley Conference Centre, the staff that are wonderful out there and have put in very good service, the facility is still losing money. It is not sustainable. And SPMC cannot afford to subsidize the Echo Valley Conference Centre.

Mr. McMorris: — I guess just . . . let's back up one year and say you closed it last year and then said to them, you've got a year and a half now to put in a proposal. You know the program

is still there, with the option of negotiating with them for the next year and a half to sign, which most people in the area that deal with it are quite confident that they would be willing to go to a 10-year agreement. But you've only given them six months to do that.

And I guess, you know, the frustration is — and as my colleague from Last Mountain-Touchwood said — if you could have given them a year and a half even to negotiate that 10-year contract and say, okay, continue on, we're closing it, you're going to have to take on the responsibility. But I mean the time frame is just impractical — at the end, coming up to the end of the sea cadet program.

You got to put yourself in their shoes and say, now is that really fair? And I don't think it was. But anyway that's a whole . . . we could go around that one for a long time. I just know the feeling of the people out there, and they feel that to terminate the conference centre the same year that the sea cadet program is terminated is just more than a little . . . a death sentence, as one member said.

I just want to ask a couple of questions on the revenue and the expenses. I was at the meeting in Fort Qu'Appelle last week, or two weeks ago, as were members from SPMC and my colleague from Last Mountain-Touchwood. And certainly after the meeting, I had a number of people that work out there and people that were interested that were certainly questioning the numbers.

Now I had no reason to question the numbers. I'd just received the numbers roughly that day. And we're looking at a, you know, 1.3 million in revenue one year, and 1.4 million in revenue the next year. But we're looking at expenses a million dollars higher than that. And most of the buzz around the room is saying: I can't believe expenses of that facility are a million dollars higher than the revenue brought in.

And they are questioning, what they were doing is questioning the expenses. And perhaps not the legitimacy of the expenses, but some of the management fees. And I realize that after the questions asked by the member we got a little bit more of a breakdown on the expenses that were incurred by the Echo Valley Conference Centre. And I know that . . . I see under accommodation, which is charges for insurance, various property management services; and then a little bit further on it goes overhead and there's also management services in there.

I guess the questions that a lot of people out there are asking are: what are the true costs? What is the heat and the power and the wages? And the cost for cutting the grass? How much is SPMC getting for management fees? And I realize that has to be factored in. But you know, I think some of them are questioning, is it not a disproportionate amount?

So I guess I just have some questions. If you could run down some of the expenses and explain to me on the record that I can go back to members that were questioning me, how could those expenses be the way they are.

Hon. Ms. Higgins: — Mr. Chair, what I will do is turn this over to Mr. Koop, to give a more detailed explanation of the financial information that was released.

Mr. Koop: — I think the member and I are looking at the same document. It has a financial breakdown for two years. Given the references you made, I think we're on the same page.

The line that reads operations indicates that this includes salaries, utilities, food, and supplies. You asked what are the wages. Salaries out at Echo Valley are in the range of \$1 million in aggregate. I don't have a breakdown with me that separates it between permanent staff and part-time staff, but that's the round figure. And it would be about the same in the next year, we're just trying to get orders of magnitude here.

Utilities include things . . . (inaudible) . . . sorry, utilities include the obvious items. Food that is purchased for the food service function which is the cafeteria that's offered at the centre. Supplies could be linens, could be cutlery, whatever is required. It's typical of any operation.

Repairs and maintenance, those are real costs incurred by SPMC in the upkeep of the facility; whether it be the reference that was made earlier to there was some new asphalt put down, whether it's repairs to carpets or repair of a . . . sorry, repair of a roof on a particular structure. That's all included and those are real costs incurred by SPMC.

And one of the reasons why there was some sort of disbelief among the people in attendance at the meeting you and I were both at was, that's a figure that people out at Echo Valley do not see. That's an expense which is incurred by the corporation elsewhere within the corporation, but directly for the benefit of the particular centre.

The Chair: — Sorry, members. I had a request for the information that you are both referring to. Would it be possible to share copies with other members of the committee? Thank you.

Mr. Koop: — No, I . . . If it's permissible to carry on or should I wait for the document? Okay.

The next category identified is accommodation. Charge for insurance, this is something — the corporation has insurance for its various properties. Again, this isn't something that's invoiced and apparent to the staff out at Echo Valley. It's something that is done centrally, but particular to that centre.

Property management services, those are the various facility support functions, planning functions that SPMC provides on behalf of all of its properties. It's not a management fee in the sense that we would typically use that term in the business world. These are the costs of providing facility services. Again, it's incurred elsewhere within the corporation but attributed to various properties under the portfolio of the corporation.

And grants in lieu of taxes, again this isn't a payment that the staff at Echo Valley would see. This is something that's organized and handled centrally. But we make a payment out of the Regina operation, but we know how much that grant in lieu of taxes is.

And then there's the last category which reads overhead. And that's the centralized human resources. That's the people who handle the payroll, the people who negotiate collective

bargaining agreements; financial services, those are the people who compile all the financial reports, the invoice payments and the like; IT systems, they have desktop computers, they have access to the government e-mail; and the management services, that's the executive of the corporation and the minister's office and the like, and again that's not a management fee.

The calculation of the overhead amount is based on a percentage of the revenue generated in terms of the larger corporate overhead. And in the case of the commercial services division, I have simply allocated some of my activities among the seven branches that I'm responsible for, and Echo Valley would pay a portion of that.

So I trust that gives you some more explanation of what those numbers represent.

Mr. McMorris: — I have a number of other questions, but just for my clarity, your expenses are going to be charged regardless, and the management fees. I mean the 800,000 in 2002-2003 that is lost, there'll still be . . . a lot of that will be charged somewhere else. I mean is it a true figure that it's \$800,000 this place is losing? Because you realize that your expenses, and there'll be some expenses from minister's office and blah, blah, blah, will be charged to another facility. Their expenses will go up if this one isn't absorbing some of that cost.

Mr. Koop: — The figures shown of 828,000 and 963,000 are indeed the losses attributed to the centre.

But I think what you're posing is a different question — what is the amount of savings that the corporation would realize when you take into account some of our expenses will carry on? And the estimate there is, on an annualized basis, \$550,000.

Mr. McMorris: — One other question; I don't know how much time we have. But one other question and I don't know, you've probably thought of it. I realize that the facility is run year-round and there's four full-time employees or four or five full-time employees.

Looking at the amount of usage, I mean it's used all of July and August — I see the boats on the lake continually — through the navy cadets. It's used at this time of the year; looking at the *Fort Times* today, seeing that SFL (Saskatchewan Federation of Labour) is renting it for a week, and there's another union that's renting it. I was checking in September and the facility is all but used for about two days, unless you have a real small group, they could fit you in.

So it's used all of September. We're in May. So we've got May, most of June, July, August, 100 per cent; September, probably 100 per cent, maybe October. So you're looking at . . . you're saying, I forget what the utilization rate was, but it certainly is nowhere close to 100 per cent. But in six months it would be very close to 100 per cent. Have you ever looked at using it and closing it down for six months?

Mr. Koop: — If I may again. Yes, we did explore the option of running a seasonal operation and again the analysis showed that we would not curtail the losses in a substantial fashion.

The statistics that you quoted show that yes, we have groups out

there throughout the year, even in the quiet months of January and the like, but it is not very much business. If you exclude the DND (Department of National Defence) occupancy period — which is in that prime July, August period when the cadets are out there — the occupancy rates are more in the 15 to 20 per cent range. The minister cited earlier the 33 or 30 per cent occupancy. That's for the full period when you take into account the 100 per cent for that seven weeks or so when DND is out there on an exclusive lease basis.

Mr. McMorris: — We can start debating back and forth using percentages, because you exclude the DND contract for two months. Well let's exclude the four months or five months that it's hardly ever used and then calculate an occupancy for a period that it is used — for the period of May to the end of September. And you would see a much greater number than 15 or 30 per cent. Because from being out there a lot in both summer and winter, I realize that it's not used very often January, February, December. It is used some, but . . . and I mean I trust that you've gone through those numbers. I would be, you know, interested in finding out — and I guess that's maybe what the community would like to do — is to find out some of those numbers as to how viable is it as a six-month operation including the DND contract.

But as we said from the outset, you've really put them under a time restraint and again at the end of a \$1 million contract per year. It's just . . . couldn't be worse timing, I don't think. Anyway I think . . . Do you have more questions?

The Chair: — Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Whose option was it to only extend the DND contract for the one year — for this current year? Was it the sea cadets or the Department of National Defence's idea or was it SPMC's suggestion that the contract extension be one year? I understand if I . . . correctly, that sea cadets had a five-year contract in the past and then it's only been renewed for one year. Who requested the one-year contract?

Hon. Ms. Higgins: — The member is accurate that it has been a five-year agreement that was renewed for another five years, and it was SPMC's decision to go with a renewal of only the one year.

We have been going through, the last period of time, an analysis on the facilities that we have and, in fact, that has just been finished over oh, about five months, six months. Anyway, so the decision was made that we couldn't commit to a longer term for the operation of the facility, so it was decided that we would go for a one-year extension on the agreement for the sea cadets.

Mr. Hart: — Okay, I find that very interesting. So basically what that tells me is that your government was looking at closing this facility over a year ago but you weren't going to tell anybody. So therefore you couldn't commit to a five-year lease with the Department of National Defence and so you only did a one-year lease. And then you decided in . . . March 31 to spring it on the area that we're going to close the place down, even though you were thinking about it for at least a year or longer.

Hon. Ms. Higgins: — You're inaccurate in that the

negotiations have been ongoing for this extension to the cadets program until early this spring.

Mr. Hart: — But the cadets would have signed a longer lease? Is that correct, another five-year lease?

Hon. Ms. Higgins: — I would say to the members that you can't hinge the whole operation of the Echo Valley Conference Centre on the federal government agreement. The federal government will do negotiations and those issues will carry on.

But the point remains that the Echo Valley Conference Centre is not sustainable whether the DND program is there or isn't. It is far below its occupancy rates. It is far below cost recovery. And SPMC is not able to subsidize the facility to keep it in its current situation.

Mr. Hart: — Minister, I don't think there's any question, given the financial information we've been provided with, that the facility on its own isn't sustainable. And you knew that for the last 10 years and I don't think we have an argument there.

The argument centres around the fact that it would be a whole lot easier for the community, a private investor, to develop a viable, sustainable, profitable plan of operation for that facility if they would have that five-year sea cadet lease attached to it. And from what you're telling us here today, is that the sea cadets . . . the National Defence would have probably signed a lease. And I don't see the federal government, once they've signed a lease, I don't know why they would renege on it. In fact I believe they said that if they can no longer conduct their sea cadet program at the Echo Valley Conference Centre, that they'll probably be forced to leave the province and take a million dollar contract with them.

And so again, the question is if you were thinking of closing that facility over a year ago, why wouldn't have you made it public and sought input from the community and given them some real time and a real chance to turn that facility into a viable operation? I think that's the question that's being asked out there.

And I would speculate, Minister, that you really had no . . . you tried to keep that operation going as long as possible, but with this tight budget, that was a last-minute budget decision and therefore ending up putting the community in this very difficult position.

Hon. Ms. Higgins: — Well it's really inaccurate to sit and speculate on what the federal government may or may not have done. But what this really brings us back to a decision of, is that this decision was made after analysis of SPMC facilities and there was a decision made during budget time.

But the fact is, no matter if the DND contract is there or isn't there, the facility is still not sustainable and there is not the ability with the financial constraints that we have and the obligations and requirements that SPMC has, to continue to subsidize the Echo Valley Conference Centre.

Mr. Hart: — Minister, I don't think there's much speculation as to the reality that the sea cadet program would have continued at the Echo Valley Conference Centre. I was out

there very recently and toured the whole facility, and I was told that the DND has made some significant investments in the facility. They have their own offices there. At the waterfront, they've spent dollars. I don't have those figures; perhaps you do.

And from what the people in the community who interact with the officers and the program leaders, they tell us that there was no indication that the sea cadet program was going to leave that facility. In fact I think the opposite is true, that they are very disappointed that the facility is closing and they will no longer be able to operate their program out of there.

And we're not, certainly not arguing that the Echo Valley Conference Centre has operated in a deficit position and that it's not viable even with that contract.

But what we are saying is that the chances of a plan being formulated for the successful operation of that facility would have been much greater with the DND contract there. And if you and your government would have acted a year or two years sooner, there would have been a real chance of finding a viable plan for that facility.

I think what's going to happen now — and I hope it doesn't — but I'm fearful that eventually the wrecking ball is going to come in and destroy the buildings and that beautiful facility. And that's going to be on your watch, Minister. I think you and your government have erred in this, in the way you've handled this facility. And the people of that area are going to pay for it.

The Chair: — Any further questions? Mr. McMorris.

Mr. McMorris: — I just wanted to thank the minister and her officials for being here. That's all the questions we have for now.

The Chair: — The Chair will entertain a motion to adjourn the consideration for the estimates of SPMC. Okay, moved by Mr. Elhard, that this committee adjourn its consideration of the estimates for Saskatchewan Property Management Corporation. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — That is carried.

I will now entertain a motion to adjourn. Moved by Mr. Iwanchuk, this committee adjourn. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried. This committee stands adjourned until the call of the Chair.

The committee adjourned at 16:57.

