



STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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**STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES
2008**

Mr. Dustin Duncan, Chair
Weyburn-Big Muddy

Mr. Kim Trew, Deputy Chair
Regina Coronation Park

Hon. Nancy Heppner
Martensville

Mr. Tim McMillan
Lloydminster

Mr. Jim Reiter
Rosetown-Elrose

Mr. Randy Weekes
Biggar

Mr. Kevin Yates
Regina Dewdney

March 11, 2008

[The committee met at 15:00.]

**General Revenue Fund
Supplementary Estimates — March
Public Service Commission
Vote 33**

Subvote (PS04)

The Chair: — Good afternoon, committee members. We have a couple of items before the committee. We'll just start by introducing the members of the committee here. For the government side we have Mr. Weekes, Mr. McMillan, Mr. Reiter, and substituting for Ms. Heppner is Mr. Chisholm. And on the opposition side is Mr. Trew and Mr. Yates.

Before us today is, first of all, is Public Service Commission. Actually before we get to that I just want to mention that . . . let committee members know that we have a number of documents that you will have received already but will now have been tabled in the committee. These refer to SGI [Saskatchewan Government Insurance], SaskEnergy and CIC [Crown Investments Corporation of Saskatchewan].

I also want to advise the committee that supplementary estimates have been referred to the committee, and that's before the committee today — Public Service Commission and the ITO [Information Technology Office].

And we will begin with Public Service Commission. Minister Elhard is here and I would ask him to introduce his officials.

Hon. Mr. Elhard: — Thank you, Mr. Chair. It's a pleasure to be here today. And I welcome this opportunity to discuss the supplementary estimates for Public Service Commission.

I have with me, to my left, Ms. Clare Isman who is the Chair of the Public Service Commission. To my immediate right is Mr. Rick McKillop, assistant Chair, employee relations, policy and planning division. To our far left is Karen Aulie, the assistant Chair, human resource client service division. Behind me to my left is Lynn Jacobson, director of corporate services; Mr. Will Loewen, director of compensation branch; and Mr. Tony Koschinsky, Crown counsel, civil law division, Ministry of Justice and Attorney General.

Before we begin, I have just a few introductory remarks.

The Chair: — Mr. Minister, I just want to interrupt you there for a moment. I do want to refer members to page 13 of the Estimates book and just let everybody know that it's Public Service Commission, vote 33, subvote (PS04) employee relations, policy and planning. That's what is before the committee. And I would ask the minister if he has opening remarks to make at this time. Thank you.

Hon. Mr. Elhard: — Thank you, Mr. Chair. This particular issue has a long history. And we're not going to recount all of that today, but just for the record and to give us some continuity as it relates to the monies we were seeking here today, I thought that this summary should be provided for the record.

A lawsuit was filed against the Government of Saskatchewan claiming losses through misinformation supplied to a number of members of the SGEU [Saskatchewan Government and General Employees' Union] by three different administrations from 1981 to 1998. An agreement in principle was reached by the SGEU's legal counsel and the Calvert government on October 10, 2007, respecting the non-permanent employees' lawsuit.

As background, in 1981 the public employees pension plan was changed to allow non-permanent employees a choice to join the pension plan. Ministry staff were directed to make employees aware of this option. Some SGEU members claim that they experienced a loss of a pension benefit because they were not made aware of their choice to join the plan or alternatively were told they could not join. The confusion ended in 1998 as another change was made to the plan requiring all employees to contribute to the pension plan.

We are pleased an agreement was reached on this matter, and we will be honouring the commitments already made. The PSC [Public Service Commission] has estimated a cost of \$15 million to address valid claims included in the lawsuit and other valid claims that have yet and may yet come forward from current employees. We are booking this estimated expenditure at this time because the agreement was reached in this fiscal year and government accounting standards require us to recognize the expense in the fiscal year in which the agreement is reached.

There are outstanding claims in other agencies — we're aware of that — which will still need to negotiate their own agreements, but it is our desire that those agreements will be very much the same as the one before us today. Thank you, Mr. Chairman.

The Chair: — Thank you, Minister. Public Service Commission vote 33, subvote (PS04), employees' relation policy and planning in the amount of \$15 million. Is that agreed? Mr. Yates.

Mr. Yates: — I have a number of questions I'd like to ask. Could we first have an outline of what the parameters of the agreement were?

Hon. Mr. Elhard: — If I may, since the details of the agreement are not well known by the minister, I'm going to turn the response to our Chair of the Public Service Commission.

Mr. McKillop: — Basically what the agreement involves is that claimants will be required to bring forward an affidavit that they were improperly informed of their right to participate in the plan. There will be proof needed with respect to their prior employment. The employer will then verify their prior employment, seek the records to determine whether there is any indication that they were in fact informed of their right to participate in the plan, and as a result in fact don't have a valid claim if the employer had met their obligation to inform them of their right to participate in the plan as they were required to do.

If they can verify prior employment and the employer has no record that they were properly informed of their right to participate in the plan, the question then turns on whether or not

the employee would have opted to participate in the pension plan had the option been properly explained to them at the outset. And we have agreed that that there will be a proxy for that determination, and that will be to the extent to which they have invested themselves in RSP [retirement savings plan] savings for that period of time. And that will determine whether or not they are in fact eligible to fully to participate in receiving the employer's contribution, plus lost interest for that time, or some part of that employer contribution plus lost interest.

Mr. Yates: — Thank you very much, Mr. Chair. My next question goes to . . . I'd like a little more information around the issue of having invested in RSP savings at that period of time. Are you talking specifically during the period of time in which that employment would be? And if so, many years have gone by in the case of many of the employees. Some may have invested in RSP's and subsequently cashed them in or a number of other activities around there those particular investments. So what level of proof is required?

Mr. McKillop: — They will be required to demonstrate proof that they purchased an RSP at that time, either a personal RSP, a spousal RRSP [registered retirement savings plan], that their spouse purchased an RRSP, or they made voluntary contributions to a registered pension plan, any one of those four things for that period of time. And then it's the quantum of that investment in relation to what they would've otherwise participated in our plan add to the rate of 5 per cent of their earnings. So if they did participate or invest through any one of those vehicles 5 per cent of their earnings, they would then qualify for full participation in our plan. If it was something less than that, they would receive only some portion of the employer's contributions plus earnings.

If they did not participate in an RRSP at all at that period and are now at today's date prepared to make RRSP contributions, they can qualify for up to 50 per cent of the employer contributions plus earnings.

Mr. Yates: — Thank you very much, Mr. Chair. My next question goes to . . . We're talking a period of time that now encompasses more than 25 years. Employees may or may not have purchased RRSPs and cashed them in, subsequently needed those monies. Records of that nature may or may not have been kept. Income tax records dated that period of time may or may not be able to be obtained through Revenue Canada.

So how are we going to deal with situations where employees in fact say they did invest the money? They are now 25 years later being asked to keep records that by law are normally maintained only for seven years. Financial records are normally maintained seven years, and that's a requirement of income tax. I am not personally aware whether or not Revenue Canada will have records going back more than 25 years on individual tax cases to check whether people had in fact made investments and recorded them on their income tax.

So what if people say they have made those investments and there are no records available any longer?

Mr. McKillop: — There's no doubt this is complicated by the significant passage of time. That is true in all respects in

managing this file. We do hope that employees have kept records. We do understand that Revenue Canada will have such records dating back to those years. But there's no doubt about it; this is certainly one of the challenges related to this file.

Mr. Yates: — Thank you very much. It will make it much easier if Revenue Canada in fact does have records dated back that period of time because then it's clear you would have had to file in your income tax those very records.

But you may have employees who don't know, don't remember when they bought. You know you're dealing with a significant period of time ago.

Mr. McKillop: — If they want to make a claim, they'll be directed to pursue the gathering together of those records and provide information with respect to where they might be able to obtain that information.

Mr. Yates: — Thank you very much. My next question is, how many employees do you think are affected or you believe to be affected by this settlement?

Mr. McKillop: — Well we really don't know. We know how many claimants there are in the existing lawsuits. Since that lawsuit was filed, the union has brought forward a number of other individual names that they have identified as possible further claimants to that file.

But beyond that, we know that there are a significant number of employees who entered the public service in various forms of non-permanent employment and remain as current employees of the public service in permanent or, I suppose, some of them continuing in non-permanent roles even to this day. And we know that there is a significant number of folks who entered non-permanent employment in the vast span of years in question who have since left our employ and may be who-knows-where at this point.

Mr. Yates: — Thank you very much, Mr. Chair. My next question has to do with . . . there have been significant changes in the hiring practices and types of employment over the last 25-plus years. At the time the first occurrences or possibilities of occurrence of this problem would have occurred, the majority of employees were probably hired in a temporary, initially in a temporary position, then moved to probationary position, then into a permanent employment.

Many employees that have spoke to me with concerns about this issue say they were not offered, during their temporary employment, but subsequently — and weren't even aware necessarily of the employer's obligation to contribute 5 per cent, if they in fact contributed 5 per cent — didn't have the opportunity because at that period of time many of them were young and starting out and weren't informed about RRSPs and those types of things. But as soon as they were informed about it, when they became a probationary or offered permanent employment, immediately were involved in the pension plan.

Are those issues going to be taken into consideration as you look at the individual cases, the first time that they in fact were made aware that they contributed to the pension plan?

Mr. McKillop: — Not if they were made aware of their right to participate in the pension plan through probationary or permanent employment. Because there they didn't have a choice; they had to join the pension plan as a condition of employment. So that wouldn't be taken into consideration as a proxy for a decision that they would have had to make when they had the option to participate in the plan or not. However, if an employee moved from one non-permanent assignment to another non-permanent assignment, and in the second non-permanent assignment was made aware that they had the right to participate in the pension plan and chose at that time to participate in the plan, that would be an indication at least of their interest in participation in the pension plan.

In fact we certainly do propose to flip it, that if when they were secondarily, as in my second example, made aware of their right to participate in the pension plan and opted not to participate in the pension plan, that clearly indicates to us that had they been properly informed at the outset, they would have made a similar choice.

Mr. Yates: — Thank you very much. Could you clarify for me what the level of actual funding or compensation individuals will receive that is proven were not given the option to participate in the plan and in fact . . . Are only those who indicated through the purchase of an RRSP eligible for any compensation?

Mr. McKillop: — If they did not participate in an RRSP at that point during the years in question and they, at today's date, are prepared to participate in an RRSP and purchase, they can become eligible for a part of the employer's contribution plus lost interest.

Mr. Yates: — And what portion would . . .

Mr. McKillop: — 50 per cent.

Mr. Yates: — 50 per cent?

Mr. McKillop: — 50 per cent.

Mr. Yates: — Okay, thank you very much. Could you tell me how you arrived at the estimate of, that \$15 million would be the appropriate amount to settle this particular . . .

Mr. McKillop: — Basically how we got there was we researched the known claimants to date, did a file research, and made a determination of whether there was information on file that invalidated their claim. As an example, if there was a letter of offer on their file that clearly outlined that they had the right to participate in the pension plan, we're of the view we'd met our obligation to inform them of that right and they had simply chosen not to participate. So we went through that process, made a determination of how many of those folks that are current claimants have valid claims.

We then reviewed their actual earning circumstance, then made a determination of what their earnings were for the period of time in which they were not covered by the pension plan, and therefore what their potential loss was both in terms of real earned income and lost earnings on that income through interest return, based on PEBA [Public Employees Benefits Agency]

return rates through the public employees pension plan, to determine a value.

We then used Revenue Canada estimates of the number of employees nationally who contribute to RRSPs at a rate of 5 per cent or more and applied those percentages to our known group of claimants and the value of their potential claim, and applied the formulas of the agreement to come up with a cost for that group of employees. We then used, we extrapolated that against our best estimate of future claimants that would come forward from the current employees as yet unknown to us, and through that process ended up at \$15 million.

Mr. Yates: — Thank you very much, Mr. Chair. Over the last 25 years there would have been literally probably thousands of people who would've entered the civil service and left — many in part-time, in term positions, short-term in nature. How do you anticipate dealing with those individuals in regards to the settlement?

Mr. McKillop: — If they're still in our employ and entered through non-permanent employment and didn't participate in the pension plan for some part of their non-permanent employment, we will be writing to them and advising them that they may potentially have a claim and that they should investigate their own circumstances and may want to come forward. With respect to those that have come and left our employ, it's our intent to put advertisements in public newspapers and identify the possibility of people having claims of this nature, and provide a time frame for people to come forward.

Mr. Yates: — Thank you very much, Mr. Chair. My next question has to deal with, at some point you'll be in a position to start actually paying out some claims. What's your anticipated period of time in which you'll be able to actually start moving on settlement of some claims and when do you see this process finally being completed?

Mr. McKillop: — We have some further negotiation to do with the SGEU with respect to process questions, the nature of the affidavit, the nature of an appeal process, and those kinds of things. The SGEU has been unable to participate in those discussions with us until what we hope are recent days at which time they may become functional.

So once we get through those steps, we then hope to be able to begin the application of this process to individual claims and have the affidavits coming forward and review them and begin the process.

Exactly what time frame that might happen in is as yet unclear to me. And how quickly we will be able to move once we get into that process is as yet unclear to me, but we do intend to get on to it and move the process forward.

Mr. Yates: — Thank you very much. As a best estimate, are we talking months or years?

Mr. McKillop: — Oh, with respect to known claimants, I'm hoping this will be measured in months. But this only gets us to a point of being able to make an offer of settlement based on the application of these terms of this framework agreement. Then

it's in the hands of the individual to make a determination of whether or not they're prepared to settle on that basis. Individuals may choose, once they understand the terms of the framework agreement, to simply opt out of this framework agreement and continue to pursue their lawsuit.

Mr. Yates: — Thank you very much. So this process will provide a framework for settlement but doesn't prevent or preclude the individuals — or perhaps the union on their behalf — at some later date proceeding to court?

Mr. McKillop: — It doesn't preclude it from happening upfront. Once they've decided to enter the process and bring an affidavit into the process, they will sign off that they will accept the results of the process and set aside their rights to legal remedy through other means.

Mr. Yates: — Thank you very much. My understanding is some years ago that there was a settlement in an individual case. Can you tell me the difference in the proposed settlement today and the settlement in the previous individual case?

Mr. McKillop: — There have been settlements of a number of individual cases over the years. Just one second, I'll see if I can . . . My trusted adviser has . . .

The Chair: — Minister, I see you trying to get my attention there. If you want to . . .

Hon. Mr. Elhard: — Yes, just to give Mr. McKillop a moment to catch his breath and maybe sort through some of this information, I just want to make the comment in response to the member's questions that in these types of circumstances, which have been laborious and detailed and gruelling, we don't have any interest in prolonging the agony, frankly.

I think the member will be well aware of how rigorous this whole exercise has been. We were in negotiations. The previous administration undertook this in 2005, if I recall, and a settlement wasn't reached until the very eleventh hour before the election — I think it was the day of the election call — and consequently after all that effort has been put into coming up with an agreement that both parties could sign off, there's really no, there's no benefit for anybody to drag this out any longer than necessary.

Now that doesn't mean that we're going to be able to solve every claimant's circumstance to their satisfaction, but it does mean that we've got a framework here. We've got an agreement in place. The union is actively seeking individuals who may have been left out of the pension plan inadvertently or inadvertently. And I think that, you know, the best efforts on the part of both parties will be taken to try and resolve these claims as soon as possible. But these are again negotiations and anything can and might happen and I think the effort to see this to a satisfactory conclusion will require the goodwill of all parties.

Mr. McKillop: — If the case that you are inquiring about was the settlement of one of the claims brought forward in an early lawsuit by the SGEU, the settlement terms there ultimately provided the employer's contribution plus lost earnings on those contributions. And that is very much what the new

framework agreement would provide in similar circumstances. This particular employee had made maximum RRSP contributions for the period of employment in question and as a result would qualify under the rules of the framework agreement for participation at 100 per cent and would have received exactly as she did receive, the employer's contributions plus lost earnings on those contributions.

Mr. Yates: — Thank you very much. My next question goes to, is there any provision or how will we deal with or how do you plan to deal with . . . In an issue as complicated as this there will literally be a couple hundred, probably, variations of situations that people will have experienced and will seek to make claims under.

I'll just give you a couple of examples. Employees who in fact claim that they signed a document, saying that they were handed forms, pension forms, with an X put there and told to sign there and may or may not have said that they didn't want to participate. But as a part of an initiation where you're signing literally dozens of forms, a dozen or more forms, new employees, there are employees that say that they don't recall ever signing that, don't recall ever it being talked about, but yet there are in fact forms on their files. Those types of scenarios.

We're going to, in this, see a number of claims that are going to take, that may not be just as clearly black and white as we'd like them all to be. How do you propose to deal with those particular issues as they arise?

Mr. McKillop: — There is an appeal process that we've built in, the details of which haven't been fully fleshed out based on the negotiations that have yet to happen, as I described earlier. However the terms of the agreement that we have reached with respect to the framework agreement does say that claimants for whom documentation exists to show that the claimant was advised of their option to join the pension plan at commencement of employment, is deemed to not have a valid claim. So the parties have already agreed that where there is clear documentation on file that shows that the claimant was actually advised of their right to participate in the plan, that they don't have a valid claim.

Mr. Yates: — Thank you very much. What and how will you handle situations where groups of employees come forward who say that they were all told just to sign on a certain line and in fact weren't informed. And you have perhaps 10 or 12 employees who are hired the same day, same place, in the same meeting, all saying the same thing.

Mr. McKillop: — Well, again if we have documentation to show that they were advised of their right to participate, the documentation will be as it is. There is as I've said an appeal process, the details of which need to be resolved. Those things may get sent there, but . . . and then it would be evidentiary based on the nature of arguments given.

But we do know in some cases we have employees who have claimed that they somehow weren't ever made aware of their right to participate in the pension plan when every other non-permanent employment ever brought into that work unit somehow did participate in the pension plan. So I think it's going to go a little bit both ways. So I think in dealing with

appeals that come of it, we'll have to rely on the wisdom of an adjudicator, but clearly the base terms of the agreement say where there's documentation that exists, they will set aside the . . .

Mr. Yates: — Thank you very much, Mr. Chair. The point I'm trying to get and to understand from you is whether or not those types of claimants should just proceed to court or in fact should . . . if there's any validity in going through the existing process.

Mr. McKillop: — Well, it's not for me to advise them whether or not they should proceed directly to court or pursue this process. I would suggest that they would want to pursue this process and see what it does for them initially and then make their own judgments about . . . along the way whether they want to continue in pressing through this process or go another way.

Mr. Yates: — So just to be clear. They can proceed through this process and then go to court?

Mr. McKillop: — Not if they move to the affidavit level, they can't. If they've moved to the affidavit level, they will have signed away their right to participate in the court process.

Mr. Yates: — Thank you. Thank you very much. My next questions are . . . I'd like to move to a number of issues that are somewhat related to the estimates. This is one of many long-standing disputes that I understand that still exists out there. Are there any provisions to deal with other outstanding disputes between employees and the employer to resolve some of these long-standing labour relations issues?

Mr. McKillop: — I don't know which issues you might be referring to. And you're right, there are many issues that arise between the employer and the employee, and there are multitudes of forums at which those things are discussed and resolved. I don't know what you might be referring to.

The Chair: — I just want to remind the member that it's vote 33, subvote (PS04) that we're concerned with today and perhaps this should be saved for another time. So I would just ask the member to stay on topic. Thank you.

Mr. Yates: — Thank you very much, Mr. Chair. We're just seeing if you'd allow a little latitude and seeing where you'd let us go. All right, thank you very much.

My next questions around this particular settlement are going to deal with . . . Are or have you been able to identify in the early stages of your file reviews — the original ones put forward — particular workplaces where it is more likely or that we should . . . that employees should be . . . were more likely to have not been informed?

Mr. McKillop: — I expect that the research done would show patterns and trends of individual workplaces where there seemed to be valid claims and others where there don't. I personally am not aware of which those are but I expect the research would show some of that.

Mr. Yates: — Is the Public Service Commission going to review all past employees' files in order to determine?

Mr. McKillop: — We don't have any plan to review all public service employees' files. We've reviewed those claimants and we will review the files of future claimants, but we have no plan to review everyone's file, no.

Mr. Yates: — Do current employees and past employees have the right to review their own files? And will the Public Service Commission assist employees in the review of their files?

Mr. McKillop: — Yes.

Mr. Yates: — Thank you very much. Will the Public Service Commission assist employees in accessing records from Revenue Canada? Or could you explain to me your understanding of that process that employees would have access to their records?

Mr. McKillop: — It's my understanding that the employee would have to make application directly themselves to Revenue Canada; that it would not be for us as either their current or former employer to access those records on their behalf. I think we will certainly be willing to explain to employees how they might go about approaching Revenue Canada to access those records.

Mr. Yates: — Will there be a package prepared for employees to give them information as to how proceed with checking this information?

Mr. McKillop: — We're not at that stage yet. A package may conjure up something that ultimately isn't what we're going to do. But will we provide that information? Yes.

Mr. Yates: — Thank you very much. My concern goes to trying not to see this process prolonged longer than it needs to. Like with all things, it needs to come to some finality or some end to the process and anything that can be done to assist shortening the process brings this issue to a conclusion and perhaps closes the door for future claims and brings it to an end. So I'm just looking for what level of co-operation the commission is prepared to provide in order to try to expedite bringing the issue to the end. I don't think it's in anybody's interest for it to, you know, go any longer than it must.

Mr. McKillop: — Just in response to that . . .

Hon. Mr. Elhard: — Excuse me just a moment. I'd like to assure the member that the current government has no interest in prolonging this issue. And while we may not actively assist in previous . . . or claimants who have a history with the public service going to Revenue Canada — which I'm almost certain would be disallowed anyway; with my own experience with Revenue Canada, they don't want to talk to anybody but me and maybe my accountant, but no other third party as it's very confidential information. But we can assist the individuals by giving them the appropriate information or the appropriate telephone numbers or the call that they need to place.

And frankly, there's just no merit in making this a long-drawn-out affair. Frankly I think it's been difficult enough to get to this point, based on a 20-odd-year history or 25-year history. I think it's time that we move forward as expeditiously as possible.

The union, I'm sure, will be very diligent in trying to help their current and past members. They have an interest in doing that. We have an interest in seeing the claims dealt with in a satisfactory and timely manner, and that's what we're going to do.

Mr. Yates: — Thank you. My colleague, Ms. Atkinson, has a few questions.

The Chair: — Ms. Atkinson.

Ms. Atkinson: — Yes, good afternoon and welcome to the minister and his officials. I have a couple of questions. I want to understand what happens to those individuals who were never informed or they were misinformed, but during their time with the public service contributed less than 1 per cent during the period in question. And if they're able to prove that they have made some present day contributions, are they eligible to receive any compensation?

Mr. McKillop: — If they contributed less than two and a half per cent of their earnings at the time, they are in a position to now purchase RRSPs and through that purchase qualify for up to 50 per cent of the employer's contributions plus lost interest earnings on those contributions — so up to two and a half per cent of earnings at the time plus lost interest.

Ms. Atkinson: — So can you describe the situation of an individual who would be eligible to receive 50 per cent per year of the employer's contributions, plus the interest obviously?

Mr. McKillop: — I'm not quite sure I understand when you say describe the situation of such a person.

Ms. Atkinson: — Well just use an example of an employee, just an example of an employee. So under what circumstances would an employee have to . . . what would they have to do in order to get 50 per cent plus . . . of the employer's contribution plus the interest?

Mr. McKillop: — What they need to do in today's world is to purchase RRSPs of up to two and a half . . . of two and half per cent of their pensionable earnings in the period in question and through that purchase would be eligible to receive compensation equal to 50 per cent of the employer contributions plus . . .

Ms. Atkinson: — So if I was a member of the public service beginning in 1981 and I worked for the public service up until 1998 when I had to start contributing, I have 17 years of pensionable service. Of course I was misinformed or uninformed. So for a 17-year employee in the public service who contributed less than 1 per cent during that 17-year period, what would they have to do to get 50 per cent per year plus interest?

Mr. McKillop: — They would need to purchase RRSPs equivalent to two and a half per cent of their lost earnings over that 17-year period. Now we have agreed that they can do so with the government contributions, plus the lost interest that they are going to receive as part of this settlement, by directing that that happen through the employer once it's determined that they have a valid claim and all of those other details are

satisfied.

Ms. Atkinson: — That's what I wanted to hear. Thank you very much.

Mr. Yates: — Thank you very much, Mr. Chair. I think that concludes any questions that we have at this point on this issue. I would like to thank the officials and the minister for coming before the committee today and hope that working through this issue will be fruitful and beneficial to both the employees and to the government. Thank you.

Hon. Mr. Elhard: — Thank you to the members for their questions today. You know, the issue allows for almost any endless variety of circumstances and each one of them will be unique and decided on their own merits. But at least there is a framework that has been laid out by which some of those claims can be adjudicated more specifically, more readily than others. And so while this might not satisfy every last instance, I think it will allow us to satisfy most . . . the vast majority of claims that will be coming our way.

So we thank you for your questions and we, as we said earlier, hope to see this whole issue brought to a conclusion.

The Chair: — Seeing no further questions. Is subvote (PS04), employee relations, policy and planning agreed? Agreed. That's carried.

Resolved that there be granted to Her Majesty for the 12 months ended March 31, 2008, the following sums for Public Service Commission, \$15,000,000.

Can I have a member move that motion? Mr. Chisholm. Is that agreed? That's carried.

[Vote 33 agreed to.]

The Chair: — Thank you to the minister and your officials.

Members, we're going to recess for about 10 minutes until the next minister can appear. We stand recessed.

[The committee recessed for a period of time.]

**General Revenue Fund
Supplementary Estimates — March
Information Technology Office
Vote 74**

Subvote (IT03)

The Chair: — All right, committee members, our next item of business is the estimates for the Information Technology Office. This is found also on page 13 of your Estimates book. I see Minister D'Autremont is here with a couple of officials. If he could introduce his officials at this time.

Hon. Mr. D'Autremont: — Thank you, Mr. Chairman. It's a pleasure to be here this afternoon. We're here on behalf of the Information Technology Office and a request for \$197,000 of supplementary funding to the department. This funding is related to the ongoing process within ITO and government of

the transfer of IT [information technology] services from the ministries to ITO. And there is only actually one department left that has not been considered yet with this 197,000. The rest of government has been looked after, and there's one department still left.

With me today is my deputy minister, Don Wincherauk. And to my right is Richard Murray, the executive director of policy and planning.

The Chair: — Thank you, Minister. Vote 74, subvote (IT03), IT coordination and transformation initiatives in the amount of 197,000, are there questions? Mr. Quennell.

Mr. Quennell: — Just a couple. Well first of all I would like to welcome the minister, but also welcome his officials who I haven't visited with or been briefed by recently, so it's good to see both of you again, as well as the minister. The minister said that there was one department left outside of the consolidation, if I could use that term, the information technology services provided by the Information Technology Office. Which department is this, or which ministry, I guess, to use the new language. Which ministry is this money apportioned for to bring into the consolidation of information technology services?

Hon. Mr. D'Autremont: — This 197,000 that we're requesting today is to bring Social Services into under the ITO, IT umbrella.

Mr. Quennell: — Now — and this may be my final question — the minister stated that one department, ministry I assume, will be left outside of the umbrella. Was that Social Services or is there one remaining ministry after this is done?

Hon. Mr. D'Autremont: — Thank you. Sixteen years of habit is sometimes hard to break, between departments and ministries. Actually the Ministry of Government Services is being brought under currently, under the IT old department. The funding will take place for next year. Though there is one further department and that is Health that is not under ITO.

Mr. Quennell: — So Health I take it will continue not to be under ITO for the time being?

Hon. Mr. D'Autremont: — For the time being that's the case. There is no real discussion going on with Health at the present time to bring them under ITO.

Mr. Quennell: — Of long-standing habits, I wouldn't have thought that the change in department to ministry was the most important one that we might want to break, but that's the government's decision.

Is there any timeline on when we would expect the Department of Health to be brought in under what the minister called the umbrella of ITO? Or is the Ministry of Health considered to be a different kind of fish and perhaps not amenable necessarily to the same type of consolidation that the other departments, now ministries, have undergone?

Hon. Mr. D'Autremont: — The process has been up till now to take and absorb, consolidate to one ministry at a time, and so there is no time frames at all nor discussions to bring Health

under ITO.

Mr. Quennell: — There's a considerable number of health information systems. It's far more complex, I expect, than almost . . . or probably more complex than any other ministry. Is it the intention of the new government to bring Health under the ITO umbrella?

Hon. Mr. D'Autremont: — The Ministry of Health's information is obviously quite complex, and the need for privacy is paramount in that area, but that's also the case in dealing with departments such as Social Services or even Justice.

Mr. Quennell: — But is the minister is understanding that Justice is now under the umbrella?

Hon. Mr. D'Autremont: — Yes, Justice is under the ITO.

Mr. Quennell: — Other than ministries, are there agencies that are under the ITO umbrella, to use the minister's term, and comparable agencies that are not?

Hon. Mr. D'Autremont: — At the present time, it's simply executive government that is under ITO. The Crowns and the NGOs [non-government organization], the third parties are not.

Mr. Quennell: — Is there a plan to bring, not necessarily Crowns because I think that's entirely separate, but other agencies of government other than executive government under the ITO umbrella?

Hon. Mr. D'Autremont: — At the present time, there's no considerations being given to that, as I mentioned earlier. We're simply trying to absorb one ministry at a time. And we're in the process, have just completed Social Services, and are working now on Government Services.

Mr. Quennell: — So the minister's expectation, I take it, is that there may not be Health or any other agency of government added say in the next calendar year.

Hon. Mr. D'Autremont: — Certainly not being worked on at the present time.

Mr. Quennell: — Those are all of my questions.

The Chair: — Okay. Seeing no further questions, is subvote (IT03), IT coordination and transformation initiatives in the amount of \$197,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried.

Resolved that there be granted to Her Majesty for the 12 months ended March 31, 2008, the following sums for Information Technology Office, \$197,000.

Can I have a member move that? Can I get a member to move that?

Mr. Weekes: — I so move.

The Chair: — Thank you, Mr. Weekes. It has been moved by Mr. Weekes. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — That's carried.

[Vote 74 agreed to.]

The Chair: — Thank you to the minister and to his officials for being here this afternoon.

Hon. Mr. D'Autremont: — Thank you. Thank you very much for the opportunity to be here and thank you to the opposition and to the government for their participation.

The Chair: — And committee members I think we just have one last item before us and I will . . . Members would've received a copy of the motion to adopt and present this report to the Assembly, and I would entertain a motion from a member to adopt the report.

Mr. McMillan: — I move.

The Chair: — I recognize Mr. McMillan.

Mr. McMillan: — I move:

That the second report of the Standing Committee on Crowns and Central Agencies be adopted and presented to the Assembly.

The Chair: — It's been moved:

That the second report of the Standing Committee on Crowns and Central Agencies be adopted and presented to the Assembly.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. I think that is all that we have before the committee, so I would entertain a motion to adjourn the committee. Mr. Reiter, moved by Mr. Reiter to adjourn. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. We are adjourned. Thank you.

[The committee adjourned at 16:07.]