

STANDING COMMITTEE ON CROWN CORPORATIONS

Tuesday, June 17, 2003

MINUTE NO. 46

10:04 a.m. - Room 10

1. **PRESENT:** Mr. Van Mulligen in the Chair and Members Atkinson, Huyghebaert, Trew, and Wall.

Mr. Dearborn for Mr. Brkich; Mr. Harper for Mr. Prebble; Mr. Iwanchuk for Ms. Jones; Mr. Yates for Mr. Forbes.

Provincial Auditor Saskatchewan

Fred Wendel, Provincial Auditor
Ed Montgomery, Executive Director
Andrew Martens, Principal

Saskatchewan Information and Privacy Commissioner

Richard P. Rendek, Q.C., Acting Freedom of Information and Privacy Commissioner

Crown Investments Corporation and its subsidiaries

Frank Hart, President & Chief Executive Officer, Crown Investments Corporation
Zach Douglas, Senior Vice President, Investments

2. The following documents were tabled:

CCC 322/24 SaskTel: Retx, Inc. Purchase Agreement dated February 24, 2003 for Second Series A Convertible Preferred Stock.

CCC 323/24 SaskTel: Subscription Agreement between SaskTel Investments Inc. and Soft Tracks Enterprises Ltd. dated February 7, 2003.

CCC 324/24 SaskTel: Subscription Agreement between SaskTel Investments Inc. and Soft Tracks Enterprises Ltd. dated November 16, 2000.

CCC 325/24 SaskTel: Subscription and Investment Agreement between TappedInto.com, Davis O. Clapp and SaskTel Investments Inc. dated January 13, 2003.

CCC 326/24 SaskTel: Subscription and Investment Agreement between TappedInto.com, Davis O. Clapp and SaskTel Investments Inc. dated March 21, 2003

CCC 327/24 SaskPower: Ownership Interest in the MRM Cogeneration Station – Significant Transaction Report

CCC 328/24 SaskTel: Memorandum of Understanding for Put of Shares between Direct West and The Ag Dealer Ltd., dated July 31, 2002.

CCC 329/24 Crown Investments Corporation: Responses to questions raised at the Committee's meeting of June 12, 2003.

3. The Committee resumed its consideration of the regarding Recommendations 2 & 3, Chapter 11, Spring 2001 Report of the Provincial Auditor and related documents CCC 258/24, CCC 259/24 and CCC 278/24 which read as follows:
4. The committee resumed its consideration of the motion of Ms. Atkinson and the proposed amendment thereto moved by Mr. Wall as follows:

That the following recommendation on payee disclosure be adopted by the Committee:

That the CIC Crown Corporations publicly disclose the following payee information to the Standing Committee on Crown Corporations:

Board expenses (Currently provided): A list of amounts paid to and on behalf of each person on the board of a Crown Corporation or a subsidiary Crown Corporation including base retainer, all other remuneration and benefits, and out-of-province travel costs;

Ministerial expenses (Currently provided): Out-of-province travel expenses for the Minister(s) and ministerial staff undertaken on behalf of the Crown Corporation;

Employee remuneration (New): A list of all employees and the amounts they were paid for salaries, and other expenses with a minimum threshold of \$50,000. (Threshold as recommended by the Provincial Auditor);

Grants, contributions, donations and sponsorships (New): A list of all grants, contributions, donations, and sponsorships with a minimum threshold of \$5,000. (Threshold consistent with Public Accounts);

Payments to consultants (Currently provided): Payments to consultants (including legal and advertising fees) totaling over \$10,000;

Supplier and other payments (New): A list of payments for goods and services with a minimum threshold of \$50,000, threshold recommended by the Provincial Auditor, except those items and categories where:

- 1) there is a legitimate need to protect commercially sensitive information;
- 2) disclosure could reasonably be expected to prejudice the competitive position of or interfere with the contractual obligations of the Crown corporation or a third party; or
- 3) disclosure is prohibited by law.

and the amendment thereto:

That the paragraph entitled supplier and other payments be amended by adding the following after the word “where”:

“public disclosure is prohibited by the provisions of the Freedom of Information and Privacy Act”

After debate, by unanimous consent, the amendment was withdrawn.

5. Mssrs. Hart, Wendel, and Rendek, responded to questions put by Members.

6. It was moved by Mr. Wall:

That point 3 of the last paragraph of the motion of Ms. Atkinson be amended by adding the words “including the provisions of the Freedom of Information and Privacy Act” after the word “law”.

The question being put on the amendment, it was carried.

7. It was moved by Ms. Atkinson:

That the recommendation on payee disclosure be amended by inserting after “corporations” in the first paragraph, “and related agencies that are called to appear before the Crown Corporations Committee”; and that “or a subsidiary Crown corporation” in bullet 1 under board expenses be deleted.

The question being put on the amendment, it was carried.

8. The debate having resumed on the main motion, as amended, it was carried.

9. It was agreed:

That the Clerk would prepare a report outlining this change to the Committee’s procedures and that this report would be presented to the Legislative Assembly no later than June 18, 2003.

10. At 10:49 a.m., the committee recessed until 11:02 a.m.

11. The Committee resumed its consideration of the 2002 Annual Reports, financial statements and related documents of the Crown Investments Corporation.

12. Mssrs. Hart and Douglas responded to questions put by Members.

13. It was moved by Ms Atkinson:

That the Committee conclude its review of the 2002 Annual Report, financial statements, and related documents of Crown Investments Corporation.

The question being put on the motion, it was carried.

14. At 11:46 a.m., the proceedings having been interrupted by the clock, the Committee adjourned to the call of the Chair.

Viktor Kaczkowski
Committee Clerk

Harry Van Mulligen
Committee Chair