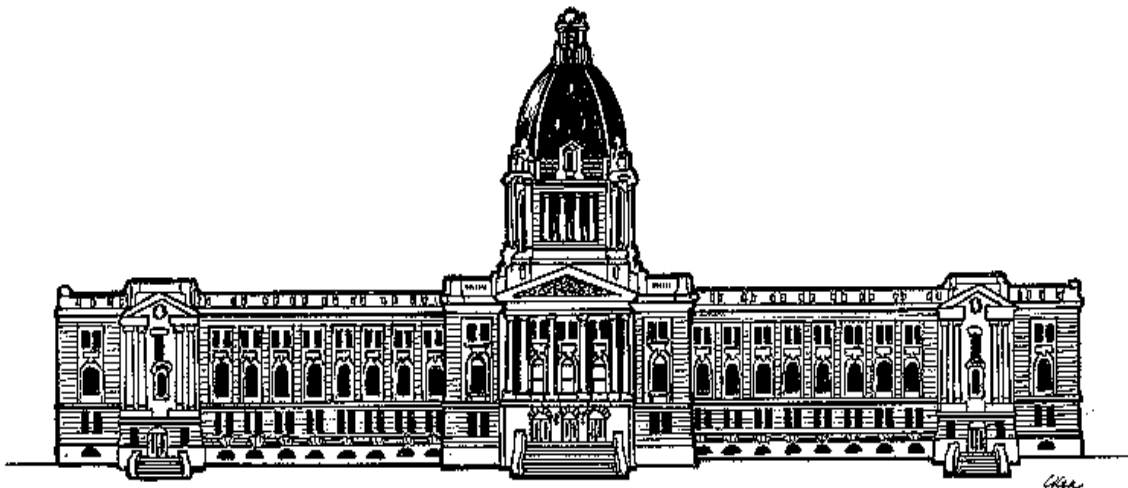




STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND JUSTICE

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**STANDING COMMITTEE ON INTERGOVERNMENTAL
AFFAIRS AND JUSTICE**

Mr. Warren Michelson, Chair
Moose Jaw North

Mr. Kim Trew, Deputy Chair
Regina Coronation Park

Mr. Greg Brkich
Arm River-Watrous

Mr. Michael Chisholm
Cut Knife-Turtleford

Mr. Wayne Elhard
Cypress Hills

Ms. Deb Higgins
Moose Jaw Wakamow

Mr. Delbert Kirsch
Batoche

[The committee met at 13:00.]

The Chair: — Well good afternoon and welcome to the Standing Committee on Intergovernmental Affairs and Justice. My name is Warren Michelson. I am the Chair of the committee, and along with the other committee members is Mr. Wayne Elhard; Mr. Delbert Kirsch; Mr. Greg Brkich; Mr. Michael Chisholm; the Vice-Chair, Mr. Kim Trew; and Ms. Deb Higgins.

**General Revenue Fund
Municipal Affairs
Vote 30**

Subvote (MA01)

The Chair: — This afternoon we will be discussing estimates on vote no. 30 on page 115 of the provincial estimates, budget estimates. And with us is Minister Harrison. Minister Harrison, I would ask you to introduce your officials. And if you have any opening remarks. I just might mention as the officials address the questions, if they would just identify themselves at the beginning so we can keep a copy of that on Hansard. So, Mr. Harrison, please.

Hon. Mr. Harrison: — Well thank you very much, Mr. Chair. And thank you to committee members for being here today. I'm joined by some of our senior officials at the Ministry of Municipal Affairs and the Saskatchewan Municipal Board. On my left is our deputy minister, Van Isman. On the right, our executive director of central management services, Wanda Lamberti. Behind us we have Keith Comstock on the left; in the centre, Russ Krywulak; and on the right, Kyle Toffan. Wade Armstrong is sitting along the wall, along with Kirby Wright, our ADM [assistant deputy minister] and John Edwards, our executive director of policy.

So it's my pleasure to be here today to speak to the spending priorities outlined in the Ministry of Municipal Affairs budget for fiscal 2010-11. I'll begin with a few general comments and provide details of the ministry budget. Then I'd be happy of course to address any questions committee members may have.

Our ministry's budget is forward-looking. It's responsible. Our budget reflects the strategic direction of our provincial government. It works to achieve the goals of growing the economy, creating a safe and secure Saskatchewan and keeping our promises.

Our ministry budget sees increased funding flow to municipalities for needed infrastructure. Through our funding agreements, our provincial government leverages federal infrastructure dollars and gets those dollars to municipalities in a timely fashion. Our budget continues our commitment to municipal revenue sharing at last year's record level. Our government works with municipalities to help maintain and build momentum in our province to keep Saskatchewan moving forward. Let's look at the details.

Overall our 2010-11 ministry budget is up 11 per cent over last year's \$382.2 million. Of this total, \$369 million, 96 per cent is dedicated to grant funding for third parties, almost all of which

is provided to municipalities. This aspect of the budget increases by 12 per cent in 2010-11.

The remaining 4 per cent of the ministry's budget, \$13.6 million is used to deliver programs for the day-to-day operations of the ministry. It includes \$9.7 million for salaries, 2.7 million in operating dollars, and \$1.2 million for accommodation. This aspect of the budget decreases by 3.5 per cent from 2009-10.

The ministry staff level has been reduced by 4.7 per cent in 2010-11 to 135.8 positions, all accomplished through attrition except for one position.

In summary, the increase in the budget is reflective of increased funding committed directly to municipalities. Breaking it down further, the \$369 million in the ministry budget which is dedicated to grant funding for third parties includes \$167.4 million in revenue sharing to municipalities maintained at the 2009-10 record level, \$115.8 million to municipalities for municipal infrastructure investment, \$57.7 million which flows through Municipal Affairs to municipalities from the federal gas tax program, \$2.3 million allocated through the Saskatchewan infrastructure growth initiative to cover borrowing costs municipalities incur for commercial and residential lot development, \$2.9 million to municipalities for the transit for the disabled program, 9.6 million for the operation of the Saskatchewan Assessment Management Agency, and \$12.8 million for grants in lieu.

Looking more closely, municipal revenue sharing is maintained at \$167.4 million, a record level. It provides 107.1 million for urban municipalities, 48.5 million for rural municipalities, and 11.7 million for northern municipalities is the allocation provided and uses the formula based on the work and analysis the province has done along with the municipal sector. It maintains the 2009-10 level, and our government has committed to achieving the goal of revenue sharing reaching the equivalent of 1 per cent of PST [provincial sales tax] in the next year's budget.

Municipal infrastructure investment at \$115.8 million for 2010-11 represents a 71.7 per cent increase in infrastructure funding from federal-provincial-municipal programs over the 2009-10 budget.

Our budget includes \$58.3 million provided through the federal gas tax program, reflects flow-through of federal funding to municipalities. Our infrastructure funding overall represents our ministry's work to keep up with the demand of municipalities.

The appetite for projects has been tremendous. In fact in the previous budget year, our ministry accelerated \$77.7 million in provincial funding for needed projects to get dollars into the hands of municipalities to start or continue projects and take advantage of the upcoming construction season.

Overall in 2010-11, our capital investment commitment in our budget is \$177 million, 153.4 million of which is flowed through from the federal government, leveraged by our agreements in 23.4 million which is provincial, and of course is over and above the 77.7 million we accelerated from the

province to municipalities late in 2009-10.

As mentioned earlier, 2.3 million is provided for the Saskatchewan infrastructure growth initiative for residential and commercial lot development. We reduced this amount this year based on estimates of funding requirements and associated timing of the program. Also 9.6 million is provided to support the operations of the Saskatchewan Assessment Management Agency. Funding from SAMA [Saskatchewan Assessment Management Agency] is consolidated in the Municipal Affairs budget this year, which includes a transfer of \$4.3 million from the Ministry of Education.

This is a \$1.4 million reduction of the SAMA budget, comprised of \$330,000 reflecting SAMA's scheduled completion of the development and implementation of the income approach, plus an additional reduction of \$1.06 million as part of the overall fiscal restraint of the provincial government. Grants in lieu of taxes are \$12.8 million this year, a \$200,000 reduction based on our best estimate of funding requirements; and \$2.9 million is for the transit assistance for the disabled program, representing no change from last year's budget.

The Ministry of Municipal Affairs' 2010-11 budget is a strong budget. It's effective, administers dollars wisely to help move our province forward. As mentioned, the 2010-11 ministry budget represents an 11 per cent increase over 2009-10, an increase in funding that flows directly to municipalities. It's important to note as well that the 2009-10 Municipal Affairs budget represents a 44 per cent increase in funding over the previous year. In total, our government has provided a greater than 50 per cent increase in funding to municipalities over the past two years. Our budget represents a very solid commitment to municipalities and to Saskatchewan people.

Thank you, and we look forward to answering any questions that committee members may have.

The Chair: — Thank you, Mr. Minister. I recognize Kim Trew.

Mr. Trew: — Thank you, Mr. Chair. I have a question of you first, and that is, vote 151 on page 162, are we going to be dealing with that today? It's Municipal Financing Corporation of Saskatchewan. I see it's a statutory vote, but with the officials here we don't . . .

A Member: — Finance.

Mr. Trew: — Finance? Okay, so Finance would have the answers. Thank you for that.

Minister, in your opening remarks you stated that you have some budget items to keep Saskatchewan's economy growing, I believe were your words. I see you nodding yes. How is that working so far?

Hon. Mr. Harrison: — Well I would point to the strong performance of the economy. And I would point as well to the projections from basically every private sector forecaster that we've seen report, over the course of the last number of months, indicating that Saskatchewan is poised to either be the leader in national economic growth in this upcoming year or at the very

top of the pack, in the top two or three provinces for economic growth. You know, we're pretty excited about how things are looking, and we saw just today some pretty positive numbers from Potash Corporation of Saskatchewan in terms of their first quarter sales.

We've seen that reflected as well in terms of other companies reporting some strong results. We've seen the largest . . . Right now Saskatchewan has more people living and working in our province than we've ever had before, which is something I think we're proud of as a government, and I think the people of Saskatchewan are cognizant of and proud of as well. In the midst of the worst recessions in the last 60, 70 years we actually created jobs over the course of that period of time while growing the province in a population sense.

We have 9,000 more people working year over year today than we did a year ago. We have, as I indicated, private sector forecasters predicting Saskatchewan to lead the country in economic growth going forward. And you know, one of the things I've noticed out there in my discussions, whether it be in my constituency or whether it be in municipalities around the province, is a real sense of optimism, a recognition that, while not immune from what was going on around the world, that we've, you know, we've come through it. We're poised to move forward. And there's a real sense of optimism that I've felt everywhere, in every part of the province that I've travelled to as minister.

And you know, it's a very different place, I feel, than . . . I can remember when I was a kid, and there was a different feeling in this province than there is today. It was, you know, well the Riders are terrible and the economy is not very good. And, you know, that was the feeling then. And I can sense a very different feeling today, which is a feeling that we can lead Canada. We can be the economic beacon in this country; that we can you know lead the country; and that, not just that we can, but that we should be. And that's the feeling I get out there right now; it's a very positive one.

I know I feel it in Meadow Lake. Just driving around in my home city now, I get a real sense of pride. Kind of the south end of town looks like a construction site with all of the new homes being constructed. There's a brand new courthouse that's being constructed, a beautiful building in downtown Meadow Lake, which our government's invested about \$28 million into building. We have a brand new school division office going up in the city as well. We have brand new apartment complexes and condo complexes going up in Meadow Lake.

It's something. I mean, I've never seen that sort of growth in my home city before. And it's something that I'm very proud of, and I know the people in Meadow Lake are very proud of as well.

Mr. Trew: — Well, Minister, I'm sure glad that you got the pompoms out. Counting you, there are four of us in this room that . . . You're the one that is currently a minister. There is three of us that have served as a minister. I make the observation that in my, what I felt was too brief a time as a minister of the Crown, everybody loved us and what we were doing and things had never been so good. So I'm pleased that at least on that front, some things never change.

I'm interested that you chose the words "to keep the economy growing," which frankly, a year ago the Premier, and I believe, you were saying Saskatchewan would not participate in the recession. Saskatchewan was going to grow. We're going to be a very strong province. We'll lead the nation in economic growth.

In yesterday's papers, the report comes that not only did we participate, not only did we not avoid the recession — we participated in Saskatchewan — but get this, Minister: we're the second worst province in Canada. We had the second worst record. We had GDP [gross domestic product] contraction. It shrunk 6.3 per cent. And yet you and the Premier and the Sask Party government keeps saying, oh things are great; Saskatchewan's not participating in the recession.

Well it's time for a little bit of reality. While you're talking . . . And I'm pleased that you're talking about your constituency. Now I want to talk about mine for a little while. In my constituency, I spent some time this morning talking to — not saying for a minute you don't talk to real people — I talked to some real people. I had a mother who has a child who's graduated, another in university, another in high school. This person told me that finding jobs has . . . She can't remember when it was more difficult, not just for her kids but for people she knows, that finding jobs has never been more difficult. She acknowledged that there are signs up hiring, where companies are hiring, but the action is falling short of what is being bragged about.

[13:15]

We've got a gross domestic product that, by the report from Statistics Canada, says that Saskatchewan's economy has shrunk to the level it was in 2005, the very years that you, sir, were describing as woeful, terrible years, where there was nothing good going on in Saskatchewan's economy.

Well it is time for a little bit of reality, Mr. Chair. It is time that . . . You know, Saskatchewan's a wonderful province to live in. We've got great things going. We have wonderful, amazing potential. Even with a Sask Party government, Saskatchewan's got a lot going for it. But the people of Saskatchewan deserve a little bit of integrity and a little bit of an acknowledgement that they're sucking it up with a 6.3 per cent cut in the gross domestic product, that our economy has shrunk to a level it was five full years ago — that after a mere two and a half years of you in government.

You didn't invent the recession. The Premier didn't invent the recession. But the people of Saskatchewan deserve for the Premier and you, sir, to acknowledge that there is a recession, that there was a contraction. And absolutely you should say, and we're going to come through it. Potash was down. Potash incidentally accounted for nearly one-third of that reduction, but mining was down and mineral exploration was down something like 40 per cent. I could look and get the exact number. It's in that range.

Construction, manufacturing was down. Like you can pull out some statistics and say, oh this was up and that was up, but the hard reality for certainly my constituents and the majority of Saskatchewan people, it is difficult to find the job they want.

There's a few McJobs, with apologies to McDonald's because it's not the worst place in the world to work. But by McJob, I'm referring to low pay and not . . . I'll describe it this way: not professional jobs. People who work very hard for the money that they're paid and companies that pay them for what they get out of their employees. It's a willing worker, willing employer basis. I'm not trying to create a fight with any employer because if I take a job for, you know, eight and a half dollars an hour, well I've taken it willingly. I may wish I was paid a little more than that but I've taken the job willingly.

But many people are just having a struggle making ends meet. We see rents that are going up once, twice, three times in a year, and not just \$20 a month but massive increases. We've got seniors on fixed incomes that are having huge difficulties making ends meet, and they're not in a position where they can go out and find a way to earn an extra 200, 300, \$500 a month. These are people that are faced with rent increases. They're faced with utility increases that have done nothing but go up under your administration, and by choice, because you did away with the lowest cost utility bundle. All of these things add up. So it's not all skittles and beer. There are real issues to deal with in Saskatchewan's economy.

The Ministry of Municipal Affairs is not single-handedly responsible to fix everything. But you are, as a minister of the Crown, responsible to acknowledge that there's some hurt out there and there's some expectation of growth and that we think we're getting through the worst of the contraction. And I hope we are. I feel that we are. I'm not sure I'm quite as optimistic as the government is in the coming year. And based on two and a half years of reality, Mr. Chair, two and a half years of what we hear being completely different, being completely different than what is delivered. And if what we heard and what was delivered was even out of the same book we would say okay, but that's the hard reality.

So, Minister, I noted that on the infrastructure delivery, the Infrastructure Stimulus Fund last year, four and a half million dollars got out. This was on your shovel-ready projects. Four and a half million dollars got out last year at a time when the economy was shrinking, 6.3. This year it's going to go up to \$36 million. What took so long to get that stimulus money out?

Hon. Mr. Harrison: — Well, Mr. Speaker, I listened with interest to the member's speech and I'm going to address some of the points that were made by that member. In terms of the economic doom and gloom, the running down of the economy that we're hearing from that member, I would point to, as I did in my initial answer, Mr. Speaker, to the fact that Saskatchewan has the lowest unemployment rate in Canada, 5.1 per cent unemployment rate that we have in Saskatoon and Regina — two out of the three top cities in the country with the lowest unemployment rates in Canada. We have the lowest youth unemployment rate in Canada. We have 9,000 more jobs year over year at the conclusion of March in this province, Mr. Speaker. We have average weekly earnings up 4.9 per cent, the second highest earnings growth in Canada.

And what's driven this, Mr. Chair, has been the hard work of the people of Saskatchewan. And the people of this province are hard-working. They're not afraid of long days, Mr. Speaker. Indeed I know . . . Of course it's raining out here today but

we're going to be having our agricultural community getting out on the fields. Some have already got out there, Mr. Chair. I know they put in long, long hours. When you're out seeding or harvesting, putting in 18, 20 hours day after day after day is not at all an unusual thing, Mr. Chair. When you own a small business or own your own business, putting in 16-, 18-, 20-hour days when you needed to get the job done, you're going to get the job done.

And I know that's not the case for that member though, Mr. Speaker. We heard in a speech that he made in this Chamber on Monday . . . And I'll actually, I'll read it out here, Mr. Speaker. And this is quoting the member for Regina Coronation Park. I quote:

Mr. Speaker, can you tell me any other occupation in the universe, any other occupation in the universe that would say, oh I want to be sitting, I want to be looking into the camera, I want to be under public scrutiny, have to be here from 8:00 a.m. . . . That's not a bad start time, incidentally; 8:00 a.m. is fine. Most of us start work before . . . But we have to be here attached to this Chamber at 8:00 a.m. until midnight — 8:00 a.m. until midnight . . .

But if you, in an emergency, you said, well no, you've got to be here at 8:00 a.m. and we're going to teach you right through till midnight. You know, Mr. Speaker, it'll work one day. It might even work two days in the case of nuclear war or something, you know, some huge crisis. You might be able to push it for two days. You might, if you're just exceptionally strong and have this determined constitution, you might even make it for three days.

And this is the . . . I'm quoting the member for Regina Coronation Park:

And where does this leave us? It leaves us with a government that says, oh no, we . . . [don't want to] extend the sitting five days. We'll extend it these hours instead and create this crisis of democracy. We'll extend the hours until you're so exhausted you can't fight. Well my constituents deserve better than that, sir. My constituents deserve my diligence for every piece of legislation and every budget item. I can't do it from 8:00 a.m. to midnight. I cannot do it. I cannot do it. It's just not possible. I cannot do it. I cannot do it.

Kim Trew. Mr. Speaker, Mr. Chair, I mean there's people in this province that work 16 hours a day on a regular basis, don't complain about it, just go about their business doing their job, running their operation, on their tractor, on their combine, and they don't stand up making speeches saying, it's just not possible; I cannot do it — which is what we heard from the member for Regina Coronation Park this Monday.

I'd think, Mr. Chair, there would be a lot of people that are either listening or that are going to be hearing about the protestations from that member that are just going to shake their head. That, you know, making a speech, he cannot do it. He cannot work that long on behalf of his constituents. It's just not possible.

Well there would be a lot of people that would disagree with

that. And I know those of us sitting on this side of the Chamber were very, very willing to be putting in 16-hour days on behalf of our constituents, on behalf of the people of the province. And we did it this week. Perhaps we'll be doing it going forward, Mr. Chair. We'll have to see. But I didn't hear any complaints from our side of the House. I heard a lot of complaining from this side of the House, which is the opposition side, that they did not want to work 16-hour days, that they did not want to work Fridays, Mr. Speaker.

It was a huge to-do that we have committee here this day, a Friday, because members opposite did not want to work on a Friday. Well I'm sorry to tell them, Mr. Chair, but most people work Fridays. Most people work Fridays. Most people work Monday to Friday, and some of them work on the weekends as well, Mr. Chair. And they're not up making speeches about how hard done by they are for having to work a Friday. They just go about their business in a quiet fashion. They go about, you know, whether it be, you know, on the farm or whether it be running their business or whether it be working in government ministries, they go about their business without complaint, working hard, earning a paycheque to support their family.

And because of that hard work, Mr. Speaker, we do have the lowest unemployment rate in Canada at 5.1 per cent. We have the lowest youth unemployment rate in Canada. We have Saskatoon and Regina, two out of the top three cities for the lowest unemployment rate in Canada.

We have the highest population in this province that we've ever had, Mr. Chair. We have more people working in this province today than we've ever had in the history of Saskatchewan. We have 9,000 jobs created year over year. We have average weekly earnings which are up 4.9 per cent, as I've indicated before. And as a government we've seen fit, we've made very significant investments to make sure that that sort of thing can continue, Mr. Chair.

And what we've invested in infrastructure projects, record investment in infrastructure over the course of the last two and a half years or so, Mr. Chair. We've — between the federal, provincial, and municipal governments in this province — invested \$1 billion just into municipal infrastructure projects, Mr. Chair.

I mean I'm happy to go through just kind of a sampling of some of these projects that we've invested in. Look at the RM [rural municipality] of Willow Bunch, for instance, a road reconstruction project which has a federal and provincial share of \$400,000, Mr. Chair. We go to Burstall, a new water treatment plant which I know the member for Cypress Hills pushed very, very hard to make a reality, a total federal-provincial contribution of \$1.2 million. The RM of Mervin, which is in my constituency actually, Mr. Chair, the hamlet of Sunset View Beach, we put in a new water treatment plant there as well which was something that was desperately needed and had been neglected by the previous administration for many, many, many years — \$645,000 investment into that project.

The Dundurn and area waste water utility, which is a very good example of municipalities coming together as a region to make a significant investment, and they've come together to form the

Dundurn waste water utility lagoon force main and collection system, Mr. Chair, which has been a massive investment — a \$6 million combined federal-provincial investment under the Building Canada Fund-communities component, a fantastic program.

I mean we've made some very, very significant investments, and we're moving this money forward to municipalities. And I'm looking forward to talking about some more of these projects, but I'm sure the member for Coronation Park . . . I know it's a Friday. I know he doesn't want to be here. I know he doesn't like working 16-hour days, but he can have the opportunity to ask away.

Mr. Trew: — Well, Mr. Chair, I am so pleased that the minister and some of the government officials were actually paying some attention to my speech. I'm not going to go into it other than to say, I wish you'd quote all of the speech. The part where I thanked my constituents for electing me, I misspoke. I said they elected me seven times; it's only been six times. They've supported me when I frankly don't feel that I've deserved as much support as I've gotten out of my constituents. They have been amazingly generous. I've tried to do my job to the best of, reasonable best of my ability these years. And I'm very grateful to them.

Just in case anyone doesn't know, I've announced I'm not seeking re-election next time, so this isn't part of my next platform speech. I am and always will be grateful to my constituents for the support they had. And yes, sir, they do deserve better. They do deserve us, to have the opposition — whether it's Kim Trew or whoever it is — to have the time, Mr. Chair, to consider what's before us, time to consult with our constituents, that the opportunity for them to call us and contact us, as happened this morning on a different issue, and as will be coming up in some other estimates if I'm able to be at them.

Enough about that. I'm just simply saying that I'll be here at midnight tonight and happy to be doing the work of my constituents.

[13:30]

What annoys me about what the government did, Mr. Chair, is that in very short order we're going to be through with the estimates, and we'll be through with the Bills that the government's brought, and we'll be sitting around twiddling our thumbs, wondering what the heck is coming next. And that's because of the mismanagement of the Sask Party with respect to the management of this House; that's what annoys me. Your constituents all deserve better. My constituents deserve better. They deserve more out of the government. They deserve more out of the opposition. They deserve us to have the opportunity to do just that.

Now I asked a question about what took so long to get that municipal . . . the Infrastructure Stimulus Fund out, and I didn't hear an answer. Last year there was some \$4.5 million got out, and when the federal government announced its program and I heard shovel ready come across from you and others and the Prime Minister, but the whole notion was that we would have projects ready to go, and yet four and a half million dollars is what got out the door last year. This year I'm pleased to see it's

going to be \$36 million.

But you know, as I pointed out in my first statement leading to a question, Saskatchewan's economy shrank. The gross domestic product shrank by 6.3 per cent last year. It would have been a good time to get that construction money out there. It would have been a good time to provide a little bit more of a boost so that I couldn't be saying that you bungled the economy and it shrank by a full 6.3. I might be able to say in fact that it only shrank by five or four or who knows what the number might have been.

But four and a half million dollars in a 30 . . . The number is here and I don't want to misquote it. Saskatchewan's GDP is \$36.9 billion. That was this last year, and it's the lowest since 2005.

But you can see, 36.9 billion dollar gross domestic product, four and a half million dollars isn't going to make a huge difference in that. But certainly the amount, the \$36 million that's coming this year would at least have a chance of being noticed. What took so long getting that money out?

Hon. Mr. Harrison: — Well I'm going to address a number of points made, and I'll begin with the way that reimbursement is made to municipalities under the Infrastructure Stimulus Fund, which is what that member asked about specifically, but also under some of the other infrastructure programs.

The way it works under the Infrastructure Stimulus Fund is that upon receipt . . . The municipalities have to submit the receipt for work done to government, at which point they're reimbursed for that work done. So there was actually \$6.3 million that went to Municipal Affairs in '09-10, not the number that the member quoted. But the way that that money is flowed is dependent on how municipalities choose to proceed with their approved projects. It's up to municipalities to decide okay, well we're going to do it this way or we're going to do it that way, keeping in mind that there's a March 31st, 2011 deadline as to when the project has to be completed by.

But I would hope that that member wouldn't be suggesting that we, as a provincial government, dictate to municipalities as to how they have to do their infrastructure projects. I think those decisions are much better left in the hands of individual municipalities to determine how they wish to proceed. And that was what we had heard from municipalities all the way along, is that they wanted to be making those sorts of decisions.

So I would hope that it's not now the NDP's [New Democratic Party] position that the provincial government be dictating to municipalities how to make their own decisions, which are properly within the purview of the locally elected council and mayor or reeve. Those are decisions that I feel very strongly, Mr. Chair, are best left in the hands of individual municipalities.

And I would hope that the NDP's position on this hasn't been changing because I think that if municipalities were aware that the new position of the NDP was that they would be dictating all manner of decisions taken at the municipal level were now going to be taken here in Regina, I think that's a very, very dangerous path to be heading down, Mr. Chair. And I think that the critic for Municipal Affairs probably knows that as well,

and she might want to have a word with the member for Coronation Park that that's a very, very dangerous suggestion to be making that we would be dictating to municipalities.

In terms of the other matter that that member had brought up, and he had made comments with regard to, you know, we're going to be twiddling our thumbs here going forward in this legislature. I'll tell you, Mr. Speaker, there's some very important work that goes on in this legislature, and I would again hope that that member wouldn't be seeing his duty as just twiddling his thumbs. But, you know, we did hear that quote from that member the other day, and I think that's probably apt if we go through it one more time here, Mr. Speaker. And I'll quote. This is the member for Coronation Park:

Mr. Speaker, can you tell me any other occupation in the universe, any other occupation in the universe that would say, oh I want to be sitting, I want to be looking into the camera, I want to be under public scrutiny, have to be here from 8 a.m. . . .

That's not a bad start time . . .

Ms. Higgins: — Mr. Chair.

The Chair: — Mr. Minister . . .

Ms. Higgins: — Mr. Chair, we're here to ask questions pertaining to the budget. The minister has been kind enough to give us two hours, and we've burned up 35 minutes with speeches which we can all read in *Hansard*.

The Chair: — I don't want to curb discussions, and I know it's been going both ways that we've been talking, and I think it's good to have discussions. Maybe we're a little off the vote 30, so if we could maybe get back to that and the questions, it will be appreciated. Thank you.

Hon. Mr. Harrison: — Yes. No, thank you very much, Mr. Chair. I really look forward to talking about the details. But the questions we're getting from that member have very little to do with Municipal Affairs, with vote 30. That member's been given leeway to make those speeches and statements, and I mean I, as a minister, would very much like to talk about the details of some of the programs that we've put in place, some of the projects that this government is funding, and I think in a very appropriate fashion and at a record level, Mr. Chair, as well.

But, you know, we heard that member for Coronation Park just say he couldn't do it. He just couldn't work Fridays. He couldn't be here for 16 hours a day. You know, that's something that I think most citizens and residents of this province would find a little appalling, Mr. Chair. And also we heard comments about thumb twiddling and whatnot. Well, you know, we're here to do the business of the province. Our members are perfectly happy to be here 16 hours a day, Mr. Chair.

But, you know, one of the things I wanted to talk about is some of the infrastructure projects that we've funded, and some very exciting ones, Mr. Chair. And this is very relevant and pertinent to vote 30, you know, whether that be Unity for an example, a

sanitary sewer renewal project in Unity which is for the total value, fed-prov, of about \$653,000 — a fantastic project.

Whether we have Lloydminster, the arterial road construction and rehabilitation for \$1.1 million, Mr. Chair. We have some fantastic projects in the North — Creighton, Pinehouse, Stony Rapids, Denare Beach, Ile-a-la-Crosse. You go to almost any community in Saskatchewan, Mr. Chair, and you're going to find some fantastic projects that this government's worked with municipalities on to move forward with.

And with that, you know, I look forward to talking more about this, but I know the member may have another speech to make.

Mr. Trew: — Mr. Chair, I actually have one about the same length as my first statement and question, which was less than one minute, less than one minute. And then I listened to the minister for 12 minutes in a rant, where he quotes . . . Anyone can look in *Hansard*, it's a matter of record for almost forever; anyone can look at *Hansard* at what I said. And I'm flattered again that anyone would even, the government members would pay attention to it. But my first opening statement, sir, and my question took less than a minute. That minister took 12 minutes to answer it, and he went, skated all over the universe.

So I've had enough of the piousness. What we need is for the minister to answer questions around his department, and a whole lot less filibuster. With that, Mr. Chair, I'm going to turn it over to the critic for Municipal Affairs. Thank you.

The Chair: — Ms. Higgins.

Ms. Higgins: — Thank you very much, Mr. Chair. Mr. Minister, I know there was a request put forward to the department on the first day of sitting for globals. Are they ready?

Hon. Mr. Harrison: — No. Thank you for that question. And the short answer is that those are not completed. They're going to be going to Exec Council next week.

Ms. Higgins: — So okay, then I'm going to ask some questions that will pertain to it and may be repetitive, but it's not helpful to get globals after estimates are over, not unless there's more time allotted after they're tabled. So quick question, has there been any personnel changes in the minister's office?

Hon. Mr. Harrison: — Well, I mean, I haven't been in the office for an entire year, but there was one ministerial position, ministerial assistant position that was eliminated in my office. My office, right now we have a chief of staff, one ministerial assistant, one senior administrative assistant, and another administrative assistant who just came back from cancer treatment and is now back in the office.

Ms. Higgins: — So your chief of staff and four ministerial assistants; so you're short one from what it was last year, or down one from last year?

Hon. Mr. Harrison: — Well when I first became minister, there was a chief of staff position, two ministerial assistant positions, and two administrative assistant positions. And for most of my time as minister, we've had one chief of staff

position, one ministerial assistant position, and one administrative assistant position. And as I indicated, just in the last couple of weeks another administrative assistant has come back to the office, who had been on medical leave owing to cancer treatment.

Ms. Higgins: — Basically the department or ministry actually occupies the same buildings that you did last year? Has there been any changes from that?

Hon. Mr. Harrison: — No, it's in the same building that it's been in.

Ms. Higgins: — Communications and advertising, how much was spent in the past year on communications and advertising?

Ms. Lamberti: — Wanda Lamberti. We're just in the midst of compiling that information, but what I can tell you is that the costs are minimal. I believe that there was no polling costs incurred last year. There was some minimal charges for advertising and for a career advertisement.

Ms. Higgins: — What, pardon me?

Ms. Lamberti: — Sorry, career advertisement.

Ms. Higgins: — Career advertisement?

Ms. Lamberti: — Advertisement.

Ms. Higgins: — Oh, advertisement. Sorry. So it would be comparable to last year?

Ms. Lamberti: — I believe so.

Ms. Higgins: — Okay. Well I'll wait for the globals then if they're coming out in the next short while. And also I would hope included in the globals is boards and agencies and any changes that may have occurred over this past year?

Hon. Mr. Harrison: — Yes. There'll be those . . . That information will be in the globals and it's minimal, I'm advised.

Ms. Higgins: — Mr. Minister, in your opening comments you talked about staffing reductions. I see in the budget there is a number. Could you give me a quick explanation as to what the changes were?

Mr. Isman: — Thank you. Van Isman. The total vote, number of FTE [full-time equivalent] allocation in '09-10 was 142.5; was reduced to 135.8 or 6.7 positions.

Of that amount, there was one position within my office, within the deputy minister's office that was reduced, and that was a vacant position. There was one and a half positions or 1.5 positions that had been through the Saskatchewan Municipal Board where there was a reduction. In addition to that, there were, through what we refer to as our municipal relations area, a reduction of 4.2 staff positions.

[13:45]

Ms. Higgins: — Thank you. Now I have to apologize for this

afternoon. I have a pile of bits and pieces of papers here, so my questions may be a little bit scattered and all over the place.

Mr. Minister, I sat and listened to your comments at I believe it was the opening remarks . . . It could have been at SUMA [Saskatchewan Urban Municipalities Association] in February, February 3rd. You talked or you spoke about the Building Canada Fund and that the unused funds will be kept in a separate fund and allocated to other projects. You had no idea at that time of timelines and not sure which projects would go ahead or those that would fall off the table and not use dollars that were already designated.

Is there projects that had fallen off the table that were approved that will not be going ahead?

Hon. Mr. Harrison: — No, there haven't been any projects that have fallen off the table. That's not to say that there might not be. Municipalities are going to have to decide whether they're in a position to go ahead with particular projects. And I know we had had a brief discussion in the lunch line one day about this as well.

And with regard to stimulus program projects at this point, if those don't go forward that money isn't put back into a pool for reallocation. But with non-stimulus, Building Canada Fund-communities component projects, for instance, that are not the top-up variety, which aren't stimulus, that money would still go back for reallocation. And that's a pretty significant chunk of how municipal infrastructure projects have been funded, have been through Building Canada Fund-CC [communities component].

ISF [Infrastructure Stimulus Fund] is pretty significant portion as well. As we can see in the budget, there's about \$36 million we have going out this year for ISF. Those are stimulus projects. So if one of those projects were not to go forward, that money, in concert with the federal government, wouldn't be reallocated to other projects.

Ms. Higgins: — So the 36 million that would be considered stimulus projects, that money would have come from the \$500 million booster shot? Or is this annual funding?

Hon. Mr. Harrison: — In terms of the ISF expenditures, that would have come from partly last year's allocation and partly this year's allocation. Also with regard to ISF, the Ministry of Highways and Infrastructure administer a pretty large portion of the fund as well. And that's generally as it relates to municipal road infrastructure, municipal bridge infrastructure, which is with MHI [Ministry of Highways and Infrastructure]. With our shop, ISF is a, I had indicated, a \$36 million expenditure in this fiscal year.

Ms. Higgins: — So how do you separate the projects in the stimulus funding and the projects in the Building Canada Fund?

Hon. Mr. Harrison: — Right. Well . . .

Ms. Higgins: — And is there different criteria for them?

Hon. Mr. Harrison: — Yes. No, that's a good question. There aren't different . . . Well there were different criteria with regard

to infrastructure stimulus funds in that projects that were considered to be very close to starting but there wasn't a long lead time were given priority in terms of the ranking and the assessments that were given. And they were characterized, the federal government characterized those as being stimulus program projects. And there were also some of the top-up from the Building Canada Fund which was . . .

It's a fairly complex thing and I'm sure people listening at home are wondering what all the acronyms are, but with the Building Canada Fund-communities component top-up portion, that was also considered as stimulus program in that those projects had to be completed by March 31st, 2011 and were given priority on the basis of how ready they were to commence and how likely that municipality was to complete that project by that designated completion deadline.

Ms. Higgins: — So then top-up for the communities portion of the Building Canada Fund is different than the normal Building Canada Fund?

Hon. Mr. Harrison: — Sorry?

Ms. Higgins: — Top-up on the communities portion of Building Canada is different than the normal portion of Building Canada?

Hon. Mr. Harrison: — Yes. Well it was characterized as a stimulus program and therefore projects had to be completed by the March 31, 2011 deadline whereas with the normal communities component projects, those projects don't have to be completed until 2014. So that was a distinction between the two components of the BCF-CC [Building Canada Fund-communities component] program.

In terms of how that's broken out in this province, on the Building Canada Fund-communities component, which has a completion deadline of 2014, that was 100 projects that the provincial government and federal government are jointly committing funds to. And the total commitment is about \$197.2 million for that particular program for the top-up portion of the Building Canada Fund-communities component. There were 48 projects that were moved forward under the program for a total dollar commitment of just a little over \$30 million.

So the vast majority of the money from Building Canada Fund is in the context of the actual communities component portion of the program, not the top-up portion of the program.

Ms. Higgins: — Now that we have got anyone who's up this early watching the legislative channel or this early in the day totally confused, could the municipality apply for both portions — the top-up and the normal — for the same project?

Hon. Mr. Harrison: — Yes. Well there was one. My understanding of it — and Kyle might be able to provide additional detail on this — is that there was a single application that was considered for all of the potential programs. And that was so you didn't have to fill out, you know, four or five applications for the Building Canada Fund-communities component or the top-up portion of communities component or for the Infrastructure Stimulus Fund or for if you were subject to the major infrastructure component of Building Canada Fund

or for the recreational infrastructure Canada program. We tried to make it as simple as possible so that there wouldn't need to be, you know, six or seven different application forms; that one application form done by a community would be considered under whichever envelope that project best fit.

Ms. Higgins: — From all of these infrastructure programs that were jointly shared by the feds and the province and municipalities, are there any of them that will retain the designation of funding and if it's unused, it will be reallocated to projects?

Hon. Mr. Harrison: — Yes. That's the Building Canada Fund-communities component falls into that category where any money that would be — say a project doesn't go ahead; a municipality decides not to go ahead with a project — that funding then under that program would be able to be reallocated to any of the other applications that had been submitted but not funded. So I mean those decisions would be taken on the basis of the rankings that officials have come up with.

Ms. Higgins: — Now both the federal government and the province has committed to that?

Hon. Mr. Harrison: — Yes, the term of the agreement that we have with the federal government for the communities portion of Building Canada Fund is very clear that that's how the program's to operate.

Ms. Higgins: — And when will you know if there will be any funds that will be reallocated?

Hon. Mr. Harrison: — Well, you know, it's very difficult to give a definitive answer on that because it's up to the municipalities to decide whether they're going to go ahead or not go ahead with a particular project. So I mean we keep in pretty close touch with communities as to the status of their project and to how they see it moving ahead, but at the end of the day, it's really up to the local elected officials as to whether they decide to go ahead or not go ahead. So like I said, it's very difficult to give a definitive answer on that because it's not up to the provincial government.

Ms. Higgins: — Is there an end date for the program, the March 30th or whatever, 2011, or what's . . . There's got to be an end date. You're not just going to hold the money in perpetuity till the municipality decides. There has to be targets.

Hon. Mr. Harrison: — Yes. No, that's right. There is an end date and that's March 31st, 2014, yes, for the communities component projects. But as we had talked about for the ISF and the top-up portion of BCF-CC, it's March 31, 2011.

Ms. Higgins: — Thank you very much. One of your other comments at the convention, you touched briefly on the whole issue of annexation. And we all know that there have been a number of instances over the past couple of years that have dragged on, been quite lengthy, have got a little heated — to be mild, I think — about the comments.

But while there's been disagreements and some of the projects haven't moved ahead, or the improvements haven't moved ahead, I guess depending on which side of the fence you're

looking at this whole issue, have you given consideration to any changes or are you looking at any changes for the whole process to improve it and make it a little more timely?

Hon. Mr. Harrison: — Yes. No, the whole issue of annexation is an issue that I've spent considerable time on since I became minister little less than a year ago. And I think it needs to be looked at in a broad context. And I mean the first thing driving the fact that we're having some disputes and some challenges is the fact that we have growing communities, and particularly a lot of our urban centres which are growing in a way that they haven't grown in quite some time.

We've been working with . . . There was actually a very interesting proposal put forward by the city mayors caucus and SARM [Saskatchewan Association of Rural Municipalities] in a joint fashion shortly after I became minister. And we've been working and refining the proposal that was put forward in that regard. And actually we . . . I just, literally minutes before walking in to this committee meeting or the estimates here this afternoon, I had all this morning been at the municipal forum, which I know the member knows is a gathering which we hold biannually with the SUMA board, the SARM board, and city mayors, along with senior ministry officials. And this was one of the issues that we talked about again.

And I think we're very close to being able to make a very significant announcement. I'm not going to give details of that announcement, but we're very close to being able to make a very significant announcement with regard to those challenges. And it's something that's been in the best tradition, I think, of the Ministry of Municipal Affairs worked on in a very collaborative way with the stakeholder groups, with SUMA, with SARM, with the city mayors. And it's something that as a government provincially, possibly other levels as well, have worked on in a very focused way over the course of the past year. And I'd encourage the member to stay tuned for good news in a short while.

Ms. Higgins: — Well I am glad to hear you were working with the stakeholders this morning before you announced the changes or improvements or whatever it is. But so that's good news and I will . . . No, and I know it's an important issue for all of the parties and it doesn't serve any of us in the province well if there is disputes and long-drawn-out discussions over the whole issue. So improvements would be good.

Over this legislative session there have been a number of municipal pieces where you will see, while not directly directed at the Municipal Board, but you will see reference to the Municipal Board having some part to play in different pieces of legislation or different discussions that are ongoing. When you look at the budget, the Municipal Board actually had their budget reduced this year — lost what? — 150,000, 160,000. And I believe the deputy minister made the comment that one of the positions lost was from the Municipal Board in the reductions.

But in your comments again at SUMA, I believe you stated that you were looking at some changes to the Municipal Board.

Hon. Mr. Harrison: — Yes, we . . .

Ms. Higgins: — I just question as to what the changes are and what kind of direction you're heading or changing the mandate, expanding the mandate, narrowing the mandate. I'm not quite sure what. It was just kind of tossed out as a one-off comment.

[14:00]

Hon. Mr. Harrison: — Yes. In terms of the high-level observation with regard to the Municipal Board process, I think it is a good process and I know we had talked about this before. But I think that having an arm's-length, quasi-judicial body dealing with a whole host of, whether it be annexation — that's one part of it — but there's a whole host of things that the Municipal Board does deal with and I think does deal with in a very professional fashion. And I think it's a much better process having that arm's-length, quasi-judicial body making a lot of these decisions rather than the minister's office.

And I know the member's been a minister and you know it's . . . I think that there's a place for having that sort of organization to be adjudicating disputes, whether it be annexation or whether it be the whole host of what the SMB [Saskatchewan Municipal Board] does with regard to other matters.

But in regards to the particular question, we had committed and we're going to be going through a review. And we are going through a review in very close consultation with SUMA, SARM, the mayors, impacted rural municipalities that have experience in dealing with these matters as to whether there's any ways we can do it better.

And you know, we've had input from a whole host of municipalities and individuals and groups with regard to potentially, you know, how we can make this work better. And that's what we're interested in. I don't have an agenda one way or the other, and the government doesn't have an agenda one way or the other. We want to listen to the stakeholders, particularly those who have gone through different processes, as to how we can better improve the system. And that's the review process we're going through as we speak.

Ms. Higgins: — One of your other comments at SUMA raised my interest anyway because when I look at the amount of flow-through dollars from the federal government, whether it's gas tax dollars that, I mean, really do just flow through the ministry from the federal government to be disbursed by the ministry out to the municipalities; infrastructure dollars you . . .

Well I guess the question is: how do these dollars come to the department? How long are they held on to? What kind of a holdover term is there? Because at SUMA you also made the comment about using the interest from funds such as gas tax to be put towards another program. So how long do you hang on to these monies for? What kind of interest are we are talking about or dollars? And where are you looking at putting it?

Hon. Mr. Harrison: — Sure. No, that's a good question. I'll let one of the officials address the gas tax specific portion of that question. I can answer in terms of how the infrastructure dollars are flowed through the ministry and to municipalities. Essentially with the vast majority of these programs we, as I indicated earlier, pay on a receipt. So a municipality will send

us a receipt they've incurred for an expense in relation to a particular infrastructure project. We then pay the entire, the entire value of that receipt, and the federal government then reimburses us for their portion of what that receipt is, which is one-third of the value.

It turns around fairly quickly. I think it's about a 10-day or so turnaround between the time we receive the receipt, flow the money to the municipality, and the time we get reimbursed by the federal government. So it's a fairly short time frame to receive reimbursement on the infrastructure programs, projects. With regard to the gas tax flow-through dollars, I'll maybe let Russ answer that.

Mr. Krywulak: — Hi. Russ Krywulak. We receive funding from the federal government twice a year on the gas tax money. We then have 60 days to forward those funds on to municipalities.

Ms. Higgins: — Twice a year, 60 days. So what kind of dollars are we talking about in total?

Mr. Krywulak: — For '10-11, it's a total of 58.264 million.

Ms. Higgins: — So that would come in two instalments? Or you would have two instalments of . . .

Mr. Krywulak: — That's in two instalments. We got half in April here, and there will be another half coming in the fall.

Ms. Higgins: — So then you have 60 days to disburse it to the municipalities?

Mr. Krywulak: — Yes.

Ms. Higgins: — So then when you talk about using the interest of these flow-through dollars, what kind of dollars are we talking about? And I realize interest isn't particularly great right now. But for a holdover of say maximum 60 days, what kind of dollars are we talking about on 58 million?

Mr. Krywulak: — Well since when the program started in 2005 until 2009, we accumulated \$1.5 million in interest. Right now we probably have about 600,000 sitting there. And part of that is also some municipalities have not applied for the gas tax program.

Ms. Higgins: — Now pardon me. I missed the last bit of that.

Mr. Krywulak: — There are some municipalities that have not applied for the gas tax program yet, so we're holding on to those funds. They'll have an opportunity again in '10-11, this year, to apply for those funds.

Ms. Higgins: — Okay. I'm a little bit surprised at that one, I'm afraid. I would have assumed everyone . . . So you don't get hold of these municipalities eventually? Or do you . . . If they don't apply for it, they don't get, and we use it for something else?

Mr. Krywulak: — No, we just hang on to the funding. But we do follow up with them to get their applications in. And I think under the first part of the agreement we have had roughly 20 to

25 municipalities did not apply.

Ms. Higgins: — So of the 600,000 that's there — and I'm sure you'll set aside whatever's owed to or maybe applied for by municipalities that are still outstanding — what was the issue you talked about committing this money to? I know you'd committed it to a program, but I missed it in your comments at the convention. Or was it just that this is a little pool of money we have? Or is there some obligation to just bump up what's distributed to the municipalities.

Hon. Mr. Harrison: — Yes. No, what we're going to be looking at doing is some planning. There's a certain prescribed use in the gas tax agreement as to what the interest can be used for. It has to be within certain parameters as to how that funding can be allocated.

You know, we're looking at a number of options on that front and we've been working very collaboratively and closely with both SARM, SUMA, the city mayors on this particular matter. And I think those discussions are proceeding in a very positive fashion. And again this morning, as part of the municipal forum process, we had discussions relating to that. And I think we're getting close to making some decisions in a final fashion and very close consultation with our municipal partners.

Ms. Higgins: — Thank you. A question, I guess, switching to SIGI [Saskatchewan infrastructure growth initiative]. The commitment that you made when this program was first put in place was 300 million over four years of interest free. Now you've pulled back funding. You've reduced the funding to it. What's the usage and what's been the usage over the first, I believe . . . Is this the third year or fourth? This is third year, right? Third year. So what's the usage been each year, is what I'm looking for.

Hon. Mr. Harrison: — Sure.

Ms. Higgins: — Or the uptake, whatever you want . . .

Hon. Mr. Harrison: — Yes. No, that's a good question. I think Kyle Toffan is probably the best positioned to give you details on that.

Mr. Toffan: — Kyle Toffan. In the first, second, and third intakes, most of the funding was used for traditional lot development projects, although under SIGI we also have off-site infrastructure projects that are eligible such as water and sewer. And what we fund or try to fund on those project categories are water and sewer projects that need to expand because of new growth, new subdivision growth in the area. So to date we've used, out of the 300 million, 152 million approximately for 85 projects.

Ms. Higgins: — 152 million. So that would include the third year, or the third year is open? That will include this year?

Mr. Toffan: — That's correct.

Ms. Higgins: — So while the 300 million is available, the uptake hasn't been anywhere close to what you had budgeted for?

Mr. Toffan: — That's right.

Ms. Higgins: — Okay. So the reduction this year, could you explain to me how this works? It's just a reduced amount that's put into the pot?

Hon. Mr. Harrison: — I think the reduction is a response to the interest charges from probably less than we had budgeted for last year, in terms of the uptake. So it's a recognition that they're, the interest costs — which is what we cover and what we budget for — are going to be less than what we had budgeted for last year, which is in direct reflection as to the usage and requests from municipalities for borrowing.

Ms. Higgins: — So what is the interest amount that's carried by the department?

Hon. Mr. Harrison: — I think we budgeted this year — just a second — yes, we budgeted, in this year's budget, \$2.3 million for the covering of interest charges.

Ms. Higgins: — And that's cumulative or just this year alone?

Hon. Mr. Harrison: — Yes, that's annual. That's an annual number.

Ms. Higgins: — That's the annual number?

Hon. Mr. Harrison: — Yes.

Ms. Higgins: — Okay.

Hon. Mr. Harrison: — And, you know, as an example on this, I just, you know, want to bring one example up which is the global transportation hub, the development of the global transportation hub. The city of Regina had . . . Well that was through the Municipal Financing Corporation where they had borrowed, had a commitment for a \$40 million MFC [Municipal Financing Corporation of Saskatchewan] loan which is . . . And what ended up happening, though, is it'll probably be significantly less than that that's necessary.

And we see some examples. I mean that's kind of analogous to the SIGI [Saskatchewan infrastructure growth initiative] situation where, you know, we had expected maybe a municipality or municipalities to make a higher request than, or higher requests in a cumulative sense, than that was actually made. So we end up having adjustments in terms of this year's final budget forecast or budget allocation for the interest charge.

Mr. Isman: — Van Isman. I'd just like to point out there's also a factor that enters into it as to when the money actually starts to flow on the program, as to when the interest clock starts ticking, if you will. Often it's very late in the year. So often projects might be approved earlier in the year, but when things start to actually take place and the projects are moving forward and the money is required so that interest payment needs to be offset, is much later in the fiscal year.

Ms. Higgins: — Thank you very much. So back again, I guess, the 152 includes requests for this year or is there . . . Or is this open to the whole year — a municipality can make a request, an application, whatever for the entire fiscal year?

Mr. Toffan: — So what happens is every year there's an application deadline of September 30th. So the third application intake was September 30, 2009. So that application take will be effective starting April 1st, so it's already started. Now what happens is municipalities can start borrowing the money that were approved as of April 1 but, as Van mentioned, lots of times it takes municipalities, you know, six or seven months or even longer sometimes to get their borrowing approvals from the Saskatchewan Municipal Board. So there's a little bit of lag time there.

Ms. Higgins: — Thank you very much. Over the last number of months I have received probably four or five phone calls from citizens within municipalities that are feeling that their municipal councils are maybe not following the rules as closely as they could or should be or are required to, and they've expressed a fair bit of frustration with no support out of the department or of the ministry. I mean I do realize that there is a fair bit of authority that is with the municipal government level, whether it's *The Cities Act* or *The Municipalities Act*, and now *The Northern Municipalities Act*. But these people have a fair bit of frustration and have basically received the direction that either it's a criminal matter and you refer it to the police, but otherwise your only recourse is at the next election to vote these people out.

[14:15]

Now the types of concerns that have been expressed to me are conflicts where administrators or councillors are felt to be benefiting from their position on the council. And I've done a bit of research and will do more after session is over. But there seems to be not a lot of support or a bit of a dead end for people who do have concerns to have someone look at them, see if they are legitimate, and provide some recourse or support. Is that anything that the ministry is looking into?

And I know just in the initial — and it's very early in any research that I've been doing — I know there is the division between municipal and provincial governments. And there's always a concern of whose responsibility and what lies where, and we don't want to step on any of our partners' toes. But citizens need to feel like it's being addressed and in my initial look at some of these issues, I'm told that there are other processes that are in place in other provincial governments where they have a step in between, whether it's a kind of above a mediation process or a tribunal of some kind. I haven't quite got it all nailed down, but that's what I'm looking into.

And I'm curious as to if there's been discussion at the ministry level that there needs to be a look in this area. I think one of the big things is, is that people's expectation of accountability and openness are maybe a little higher than what were acceptable previously. I'm not sure on that; I'm just kind of feeling my way through this whole issue based on a number of phone calls that I've got. But is there any discussion at the ministry level that we need to have a look at the legislation and see if there are changes that need to be made?

Hon. Mr. Harrison: — Yes, with regard to some of the . . . We have matters brought to our attention as well in my office and at the ministry level to our municipal advisers.

And, you know, with regard to matters going on in a municipality, we endeavour and strive to ensure that local governments are aware of what their authorities are and what their ability is to make decisions on certain matters, what's within their jurisdiction. And I think in the vast, vast, overwhelming 99.9 per cent of cases, municipal governments are very, very cognizant of that, of those issues.

And with respect to the position of the provincial government, we feel it's very, very important that we respect local autonomy. We have a government-to-government relationship with local government, as the member knows. And I think on all sides, we very much value that level of respect on a government-to-government basis. You know?

And that's something that I'm always very cognizant of as well in that municipal governments are duly elected, are the level of government that's closest to the population, dealing with oftentimes some very difficult issues that are, you know, very personal in some cases, not necessarily rising to the level of a conflict of interest in a legal definition sense, but are very difficult issues.

And as MLAs [Member of the Legislative Assembly] we have issues brought to us that are difficult to deal with. But, you know, oftentimes when you're a division councillor and your neighbour is coming to say, like why aren't you fixing this or doing this? And it's a more personal sort of, it's more personal sort of thing. And you know often there are conflicts that arise out of those matters but, that being said, there are duly elected local governments responsible and rightfully responsible for dealing with those issues and making decisions on those matters.

In regard to . . . I know you had raised the issue of conflict of interest. We have made some changes. We haven't proclaimed the Bill but it's passed through all stages in this House and it will be proclaimed on May the 20th. And maybe I'll ask, actually, my executive director of policy, John Edwards, to come and maybe address some of those in more detail for you.

Mr. Edwards: — *The Cities Act* and the other legislation included provisions that would address this area in part. There already are provisions in the municipal Acts dealing with essentially declaring a conflict of interest when a municipality is dealing with a matter before council. Someone who is expected to . . . A council member who has an interest in a matter that has come before council is expected to declare that interest and then withdraw from the discussion of the matter at council. So that's one of the provisions that's there in the current legislation.

Ms. Higgins: — And what recourse is there, or what remedy I guess, if someone doesn't?

Mr. Edwards: — That is a sensitive area. If someone fails to declare that interest and it comes to light at a later stage, the proceedings at council can be challenged. There is a process in the Act, and I don't have the Act with me that I could refer to the exact steps for, but basically it does allow for them to go back and overturn the provisions.

Ms. Higgins: — So when you say the decisions of council can

be challenged, in what format or what forum would you challenge them?

Mr. Edwards: — I don't recall that.

Ms. Higgins: — See and that's the point where . . . I'll give you a bit of an example. Part of this, one of the complaints that was first brought to me, and this is a few years ago, and it had happened with . . . The council had made a decision that affected a local landowner and it in fact had, under the weed Act, were farming a half section of this person's farm land, which they have the authority to do because of noxious weeds and a number of other things.

But they had contracted each other was the perception, that they had contracted each other — now they may have been the only ones to do it, I don't know — to farm the land. So in the community it was seen as, well they're contracting themselves and doing this to be able to benefit personally from a decision that had been made, which can put a community into a pretty awkward position. And I'm sure it can put the councillors themselves in an awkward position.

And I'm not sure . . . It turned out that there was not a lot of advice or any type of recommendation I could give to the person because it really was a decision of council. So when you can question council or challenge council, I guess I'm . . . I don't know what the solution is. I'm kind of looking for something here.

And I know there are issues. That's just one example. And while you can say it may not fit the legal definition of something that contravenes the Act or be breaking the law or the Criminal Code, perception is reality and it can cause many problems. So I don't know whether there should be — and that's kind of my question, you know — is there something . . . Should there be another step added to the Act?

You know, we get back to this arm's-length board or quasi-judicial board that has an ability to look at these situations in an unbiased fashion and give some comfort I think to both sides in what can be . . . I mean it can be in very difficult decisions, because quite often these are neighbours, people that you've known all your lives that are tasked and voted to make some pretty difficult decisions at times. So, you know, it's just, it's just kind of question here if there is an opportunity for something like this, if you know of any other provinces that may have a step above, you know.

Hon. Mr. Harrison: — No. I appreciate that question. And you know, as the member had indicated in her question and I had indicated in my last answer, you know, there are a lot of tough decisions that are very personal, not conflict, but are personal when that, you know, local municipality and council, reeve, or mayor, I mean you're making decisions for your friends and neighbours and family. And it's kind of decisions with respect to the things that you see the most and deal with the most as a citizen, whether that be your local water bill or your local municipal road. And there's some very, there's some very difficult calls and very difficult decisions that local council members and Reeves and mayors have to make. And I mean I have a lot of respect for them in having to make some of those very difficult decisions.

You know, one of the, one of the issues that was raised actually when I was up in Hudson Bay not that long ago at the northeast region meeting of rural municipalities, and the question was raised whether there might be a possibility of having the Provincial Ombudsman with their mandate extended to serve in this sort of capacity where there would be an appeal sort of process from a council decision, if that decision weren't done in a proper fashion.

I mean when councils are properly constituted and operating within their proper jurisdiction, that's, you know, that's respecting local government autonomy. Whether we like the decision or not, if it's duly made that's, I mean, how the process is designed to work, much like in this legislature where decisions might be made that not everybody likes but I mean that's the way the process is designed to work.

But there had been this idea raised of potentially looking at having the Provincial Ombudsman fulfill a function of this sort. We've done some consultation on that potential. The feedback thus far hasn't been overwhelmingly positive, if I should put it that way.

I think there's . . . What we've heard is concern that it could possibly be a kind of a Big Brother looking over the council's shoulders, questioning and second-guessing any decisions that they've made. And you know, one individual actually said to me is, well you know, how would you like it if there was the federal government had the authority to look over the decisions the provincial government had made in a proper fashion, but still had the ability to review whether it was properly made and to dig through the decision-making process? And it was a point I think that, I mean, it was well taken, the point. But it's something we're going to continue to maybe look at. It would be a pretty significant change, and I think there would be a lot of very significant concern on the part of the municipal sector moving forward in that fashion.

With that being said, I think there are a couple of other provinces that have a process that's similar to that and I think Ontario is one of them. Actually I'll have John maybe talk about that in more detail.

Mr. Edwards: — When we've looked into this, we found that there are about a half a dozen different provinces that have extended the mandate of the provincial ombudsman to municipal matters, so that would be an option. The other thing I would point out is that in *The Cities Act* there's a provision for what's known as an administrative review body. It's discretionary so it's up to council. Council can establish a body that would focus as not an appeal mechanism but a review mechanism for matters of administrative issues.

The intent was not to put something in place that would second-guess council's policy decisions, but rather something that would allow for review of administrative decisions that might be made within the city. Again the reaction at the municipal level has been somewhat cool.

[14:30]

Ms. Higgins: — In *The Cities Act* is it a board or a person? In *The Cities Act*, doesn't the . . . Or maybe it's just an option for

the municipality to have a person designated, almost much like an ombudsman, that they can review cases within the city.

Mr. Edwards: — Some of the cities that tried it found that there were so few situations that came forward, they basically had a person on retainer. I believe the term is administrative review body. The intent wasn't to create a full-time board, so one person would be able to fulfill that function.

Ms. Higgins: — Okay. Thank you very much. That's helpful. And I know it's something we're going to hear more of because I've had a couple more calls in the last few days, so it's not going to go away.

But did Municipal Affairs have any role to play in the discussions for the TILMA [Trade, Investment and Labour Mobility Agreement] agreement that was signed today by the Premier of the province?

Mr. Isman: — There were some minor consultations with regards to some — earlier in the process — with regards to some of the impact on municipalities, and there had been some discussion that was taken for consultation purposes to the municipal sector strategic plan tables where there had been some dialogue with the folks from Intergovernmental Affairs with some of the municipal governments as to process.

Hon. Mr. Harrison: — I just wanted to add as well, with regard to the New West Partnership which I think you're referring to, that the Premier and Premiers Stelmach and Campbell had signed today, as Van indicated, there had been, at the MSSP [municipal sector strategic plan] table, discussion led by Intergovernmental Affairs. So it was . . . Municipal Affairs, I guess, in the context of having municipalities involved in the consultation process, was involved, but it was very much led by Intergovernmental Affairs out of Executive Council.

Ms. Higgins: — And it included the whole MASH [municipalities, academic institutions, schools, hospitals] sector? Because my understanding is, is that the agreement covers the whole sector.

Hon. Mr. Harrison: — Well I think that would probably be better put to IGA [Intergovernmental Affairs] in their estimates, but I mean I can speak to the portion that we had a piece of, which is the consultation portion at the multi-sector strategic plan tables.

Ms. Higgins: — So what effect is there on the municipal sector from this agreement that's been signed?

Mr. Isman: — Basically there's a couple of components. They're largely protecting many of the rights of the municipalities with regards to things like land use and the like, but they're putting in non-discrimination principles: by way of example, growth incentives and the like that would be available. If a municipality was wanting to provide a growth incentive to a particular sector in their community, it's something that they would need to be able to provide to businesses based from all three Western provinces. They could not discriminate based on just folks that might be from their community or from Saskatchewan.

And the other aspect was with regards to some of the procurement obligations, how that will be going forward. There will be impacts on the municipalities requiring them to go through open tendering processes when there are certain thresholds of goods or services that they are going to be acquiring. Now that doesn't kick in for another two years and so there will be the ability for the municipalities to have some input in terms of how that is shaped as to process. But there will be that one requirement going forward.

Hon. Mr. Harrison: — Sorry. Maybe if I could add in supplement to Van's comments, we actually had a discussion at the municipal forum this morning as well with regard to the New West Partnership and there weren't concerns raised at that forum. And municipal stakeholder organizations have been involved in this, as had municipalities. Also yesterday I had discussions with most of the city mayors — I wasn't able to reach all of them but most of the city mayors — and again, just to have a kind of a heads-up discussion, and there were again, you know, positive reception.

Ms. Higgins: — On the procurement piece, what are your limits that are in place on the agreement? Are they similar to the provincial government limits for use of the MERX system or is there different caps?

Mr. Isman: — Under the New West Partnership, for municipalities they will be required to go to tender on purchase of goods and services that are \$75,000 or greater and for construction \$200,000 or greater. That will become effective as of I believe it's July 1st of 2012.

Ms. Higgins: — Well okay. Any other areas? So procurement and any type of incentives like tax abatements, that type of thing?

Hon. Mr. Harrison: — We had felt it important, obviously, to make sure that municipalities had those abilities continuing forward in terms of tax abatement, in terms of land use planning. The caveat to that being that there was, as Van had explained, a non-discrimination provision that, say as an example if, you know, a tax abatement provision were offered to one sort of company, that the very same sort of company that wished to operate in that municipality would be offered the same tax abatement provision.

Ms. Higgins: — Okay. Okay, thank you very much. I'm sure we'll have more questions on that one as the details roll out. It's pretty new at this point and I know with the lack of public consultation or time for the public to digest some of the details and look at how it may impact our communities. That's going to be rolling out, I would assume, over the next couple of months and maybe even beyond as we see it comes into play and before we reach the deadline of when it all becomes a fact of life here in the province. But my understanding is the deal is signed, whether we've seen it or not and whether there's been any public consultations or not. So we'll just have to see what happens with it.

Mr. Minister, on February 4th of 2009, to the members of the Standing Committee on Intergovernmental Affairs and Justice was sent a document that I don't think we were all supposed to get. It looks like it was probably consideration for a number of

issues that the Saskatchewan Party government was dealing with and I think it was meant for an internal committee but . . . I mean it's nothing top secret, so don't get . . . Just the touchy issues, that's all. You don't have to worry. I'm not going to reveal anything here in estimates.

It's some general discussions about issues to do with *The Northern Municipalities Act* and the criminal record checks which you've already put in place, also impact on provincial decision making on municipalities, what the legal obligation is, and considering the impact of provincial decision making on municipal governments.

Have you moved in that direction? Given it consideration? Have you put in place a policy to make sure you are contacting municipalities, having some consultations before decisions are made?

I know the municipal sector sometimes operates a little differently than what — and Municipal Affairs — than what other governments do purely by the fact of the flow-through nature of many of the programs that you administer and that you have under your responsibility. So I don't know whether this would have as much impact on you as other departments may, but it was one of the topics listed in this document for discussion.

Also the Minister of Municipal Affairs' role as mayor and council of the northern Saskatchewan administration district — have you considered making any changes there? Or if you've done any work on this paper? I guess those two things, if you've got any comments on them so far.

Hon. Mr. Harrison: — Well thank you, Mr. Chair. But without having seen the document in question, it's difficult to comment on specifics. I can comment in a general sense on consultation in that, I think by all estimates, the Ministry of Municipal Affairs is very much driven by the relationship that we have with our municipalities and with our municipal stakeholder organizations.

And I know even the member from Cumberland, as an example, recognizing that we had done a tremendous amount of consultative work with respect to *The Northern Municipalities Act*, which we have not yet proclaimed but which just passed through this legislature. I think it's something that the . . . It is something that the ministry takes very, very seriously in making sure that we're in close touch with our municipal governments and are in close touch with them particularly on issues or decisions that we may be making that would have an impact on them in all appropriate circumstances.

In terms of kind of a general comment on the role of the minister as mayor and council in the northern Saskatchewan administrative district, that continued and is going to continue to be the case with the new northern municipal Act. We know that there had been not a great call from individuals to see that change. Of course there's still a very strong municipal decision-making process in northern Saskatchewan with regard to the northern towns and villages and hamlets as well.

The challenge that you have with northern Saskatchewan, of course, is that it's such a vast area. I know it's, you know, in my

former federal constituency, which was northern Saskatchewan, the area, just in the land mass terms, was actually larger than the entire country of Germany. And the population of course is very, very much spread out, and outside of the settled urban centres there's a very, very small population.

So because of that very significant challenge, the government many, many years ago, far before we had formed the government of Saskatchewan, made the decision that the minister responsible for local government would also function as the mayor and council of the northern Saskatchewan administrative district. And as I said, that decision was taken many, many, many years ago simply because some of the administrative functions of such a massive area with such a very small and very, very sparsely populated area were best conducted by the ministry.

Ministry officials are generally delegated by the minister to be making a lot of, I mean, decisions such as those that need to be made. There aren't a whole bunch that come forward. But that was felt to be the most appropriate way of approaching the governance challenge then, and I think it continues to be the view of the government that that's probably the most, that is the most appropriate way of approaching those governance challenges now.

Ms. Higgins: — One of the other issues contained in the document is the issue of lengthening the term of office from three to four years. Now this document came out from the former minister so I'm sure either your office, someone would have a copy of it, or I could run you a copy if you like, but it speaks about lengthening the term from three to four years. It has issue, has a bit of background attached to the document, strategic considerations, recommendations, and alternatives attached.

And the recommendation is, government grant urban and northern municipalities a four-year election term in exchange for establishing a separate municipal ombudsman. If implementation for fall of 2009 elections, another local government elections Act amending Bill would be required. And that the four-year term would apply to school divisions.

[14:45]

So I guess what I get from that is, is that there has to be, or there must have been instances that we just talked about previously, where an ombudsman may have been appropriate or has been considered in the past. It's an interesting concept and to see it tied together in this document . . . Actually I didn't even realize the ombudsman was tied in with the recommendation that was put forward.

Now I have to tell the department not to be getting too worried, because I believe this document came out as internal to, and instead of going to the Standing Committee on Intergovernmental Affairs and Justice, my understanding when this came out was that it should've gone to just the caucus committee of intergovernmental affairs and infrastructure, so it actually wasn't an all-committee document and shouldn't have come to this forum.

So anyway just a comment. So obviously the ombudsman piece

has been discussed before, maybe not within the municipality, but maybe within the Sask Party caucus. They must have been aware that there was an issue, so, Mr. Minister, I would actually just encourage you to . . . I know that you have committed to extending to the four-year term and that possibly the ombudsman idea may be a good one to look further into and maybe take some action on.

There's also a number of other topics included in here, but I guess the last one is one that I just have to raise — I can't resist — and it's daylight savings time. So I guess the minister is very close to Lloydminster, lives in Meadow Lake, I'm told. And I know this has been . . . There's been a commitment made by the Premier to go to a referendum in the next provincial election which I've heard him waffling on lately to . . . Now I'm sure he's starting to get both sides of this issue.

I'm sure the minister has a big, fat file on daylight savings time and could give me arguments from all sides. And I know the people on the west would like to be on Alberta time and the people on the east would like to be on Manitoba time and nobody wants to go back to having a line down the middle of Saskatchewan to split us in half, so a question: is the minister enthusiastically pursuing the idea of a referendum come next election, or is he looking to make any movement on this file in the meantime?

Hon. Mr. Harrison: — Well thank you to the member for her question. With respect to . . . I will address the daylight saving times issue.

I do want to address though the four-year term matter that the member had brought up, and as she knows, I mean this is something that's been under discussion for some period of time. SUMA had of course had a resolution brought before itself some time ago and that resolution was supported in a very strong fashion, that SUMA move to a, that urban municipalities and northern move to a four-year term. We heard that message in a fairly clear fashion as well as we've had resolutions that were brought forward and passed at the council level in Saskatoon and Regina.

The commitment that I made at the SUMA convention was that we had heard that message in a very clear way and would be moving in that direction of a four-year term. It was something that obviously was the desire of the sector to see addressed, so we responded as a government after listening to that.

Also with regard to a four-year term, we saw this year at the SARM convention a motion brought forward to go to a four-year term for rural municipalities as well, and that motion was very strongly supported by the delegates to the SARM convention. And we had made the commitment during the SUMA process as well that if SARM indicated a willingness to go to four-year terms, we would be very, very happy to make that change. And we made that commitment also that we'll be — again, having listened to the wishes and desire of the rural municipalities — that we would be moving to a four-year term on that front as well.

So the way that's going to roll out in practice is that there's going to be . . . The first election to a four-year term is going to be held in 2012 for both urban and rural municipalities. As the

member I know knows, rural municipalities have a staggered division system as to when councillors are elected. So they're going to be electing half of their council members in 2012 for a four-year term and the next half will be elected in 2014 for a four-year term. So we're going to be having those four-year terms.

And it's, I think, going to work well also in that it won't be in provincial election years which I think we saw in the past. Having municipal elections at the same time as a provincial election, you end up with probably not the amount of justice being done to the municipal election process that otherwise would be the case and probably deserves to be the case.

So we're going to be having those, and the first one in 2012 which of course is a year after the next 2011 provincial campaign. So that's how we're going to be moving forward on the four-year terms. We're going to be bringing forward legislation to enact that change in the next session of the legislature, which we feel is an appropriate thing.

With regard to the member's other question with daylight savings time, of course this is the perennial discussion in Saskatchewan. And we know people on both sides of this matter have very strong feelings and in terms of . . . And there's some, there's probably a large body of people also that just aren't really engaged by the issue. So you know, with regard to how we're going to be proceeding on that matter, we haven't heard a huge, you know, groundswell that are demanding changes going forward. And we're going to be proceeding on that basis.

Ms. Higgins: — Well it's interesting. Well first I want to say, good luck if you think there's a large body of people in the province that don't care one way or another. All you have to do is do some polling and I think it runs about 51 per cent to 49. So I hope you're lucky enough to find that big group that aren't too worried about it.

It's interesting too. On this document, it says: "The recommendation is to hold a plebiscite on daylight savings time in conjunction with the 2011 provincial election and initiate a public information effort prior to that to let people know what the question will be so it is clearly understood." So if that's the decisions that come out of this document and what's the recommendations that are listed, I just want to say again, good luck with that because it's a hot topic and I'm looking forward to see what the decisions are and how you're going to move ahead with this.

Mr. Minister, we couldn't have left this forum without . . . Well first I have one other question that's kind of an aside. In the supplementary estimates we have Municipal Affairs, vote 30, the financial assistance, the infrastructure grants, 56.9 million that was moved ahead. And I believe this is the money that was included in . . . There was a press release that was issued. It was moved ahead. Now in the budget document, I don't know if I . . . I haven't got the right page here. It shows 20,000 . . .

A Member: — Twenty million.

Ms. Higgins: — Twenty million. Sorry, we wish it was thousand . . . \$20 million in the Building Canada

Fund-communities component in '09-10. I'm assuming that's where the money was moved into? That's the area we're talking about, isn't it? So is it this year's money moved forward, moved ahead? I know, I know, it looks like it's moved backwards, is the way it should be rationally to me. But I don't think that's right. They refer to it as being moved ahead. Is that what we're talking about? So will the number from this year be different, being it's money moved ahead, or is it new money? New money or moved ahead?

Hon. Mr. Harrison: — Well what happened is . . . The member's right in pointing to the \$20 million that we had accelerated, that we had come to this committee for supplementary estimates for, and that was for the Building Canada Fund-communities component essentially because of the fact that we had a longer construction season and more costs were incurred than we had predicted.

With regard to the \$56 million that was accelerated last year, what we did was moved money from the building . . . That money funded projects under the Building Canada Fund-communities component under the provincial-territorial base funding program and under the Building Canada Fund-major infrastructure component. And what we did is we had actually taken the provincial portion of the dollars from those projects and given them directly to municipalities this year. It was kind of similar to what we did with the first intake of the . . . It was very similar to what we did with the first intake of the Building Canada Fund-communities component.

We had received some really good feedback from municipalities that having that money in hand had made their process for tendering and for moving forward expeditiously much, much easier. And for that reason we took our provincial dollars for those particular projects that would have been incurred this year and we gave it directly to them with the hope and expectation that it's going to allow them to move forward more quickly with their projects and get lower costs on their tenders because we expect there to be additional pressures on the construction industry as we go ahead.

So it was something they were very happy about and it had worked well when it was done with the first intake of Building Canada Fund and we expect it to be working well this time too.

Ms. Higgins: — So then we will see a change in the \$56 million that shows in the budget this year? No?

Hon. Mr. Harrison: — No, there's no change to this budget year. What we just did was make sure that they got the money directly, so there's no change in expenses from this budget year at all. It was just that they had gotten the money directly in the last budget year.

Ms. Higgins: — So then if in fact this wasn't in supplementary estimates and had it been printed as a regular line item in the budget, we would have had 56.9 last year and 56.9 this year? I see I'm missing something here.

Hon. Mr. Harrison: — No, sorry. It was an either-or decision. It was \$56 million that could have been potentially incurred this budget year depending on how fast they went forward, because we pay on receipt, or that we flow that money directly to them

last budget year and that way they were able to move forward more quickly with their projects.

Ms. Higgins: — So you flowed it last year but it is being accounted for this year?

Hon. Mr. Harrison: — No.

Ms. Higgins: — Then why is it showing . . . In the budget document it shows in . . . Kim, what page are you on?

A Member: — I am on page 117.

Ms. Higgins: — Okay then, sorry, then I'm looking . . . I'm making up numbers here. So then the 56.1 . . .

A Member: — She should have been your minister of Finance.

Ms. Higgins: — No, I've got an NDP membership, not a Sask Party. So the 56.1 is the number for this year, and last year in fact would be 56.9?

Hon. Mr. Harrison: — That's right.

Ms. Higgins: — Okay. So then it was additional monies.

Hon. Mr. Harrison: — No, it's money that would have been — if those projects had gone forward in the normal fashion — it would have been incurred this year. But because we wanted to accelerate their ability to move forward, those funds were flowed last year so that they could move forward with their tendering and with their processes to start their projects.

Ms. Higgins: — Okay, I think it sunk in. Mr. Minister, right at the very beginning when you made a few opening comments, you talked about the number of jobs that are created or have been created by this government. So I would assume — and I'm making a bit of an assumption here — that you've kept track of job creation through the stimulus funding, through the booster shot, through the various things that government has done. So what kind of numbers, and where were the jobs created?

[15:00]

Hon. Mr. Harrison: — No that's, the Federation of Canadian Municipalities has actually put together an estimate as to the number of jobs created. We don't have that number here with us. But I can tell you, with regard to the municipal economic enhancement program which was a program that had been rolled out last year, that there was an estimated 99,000 days of employment created through that particular program.

But as my colleague from Cypress Hills grassland rightly pointed out, that I mean this is communities creating employment and creating jobs and creating economic activity. And these projects and the government dollars are obviously catalysts for that, but I think we have to give proper credit to the communities as well.

Ms. Higgins: — So when you made your comment, you meant we as in the municipal sector, not we in government.

Hon. Mr. Harrison: — No, we . . . I mean, the thing that I had

indicated is that year over year from March last year to March this year, 9,000 jobs had been created in Saskatchewan. As a government, of course we believe that the decisions we've made have facilitated the creation of those jobs. But there absolutely is credit owing to municipalities and business owners and all of those out in the private sector that are working hard and creating wealth and building a bright future for their families in the province.

Ms. Higgins: — Mr. Minister, a few years ago, and I really think it began about the time that the work started for the permanent — using the term loosely — formula for revenue sharing . Hasn't proved to be quite as permanent as what we hoped, but we began the whole process by the province on the urban agenda. Revenue sharing, I think was a big part of that, but I think in the beginning there was a bigger picture for it to build an urban agenda and look at issues that SUMA was struggling with. Is that still on the go? Or is it pretty well ended after the revenue-sharing formula was developed?

Mr. Comstock: — Good afternoon, my name's Keith Comstock. The urban agenda was the precursor to what we now call the municipal sector strategic plan process. So indeed you're right that SUMA did start off by talking about an urban agenda, but as we had consultations with the rest of the sector, we broadened the scope of that, and it grew into what we call the MSSP now.

Ms. Higgins: — And it's still alive and well and working towards a goal of what? Strategic plan, just long-term planning, kind of where is it at now?

Mr. Comstock: — Yes, the sector strategic plan is indeed very active. It consists of four active tables — one for cities, one for towns and villages, one for rural, and one for the North. We have on each of those tables a set of experienced administrators and staff from my branch, strategy and sector relations within the ministry. And we work on a rolling work plan, multi-year work plan. Included in that plan, over the course of the last year we've completed a number of projects, a review of transit for disabled persons, for example. The revenue-sharing piece was one of the projects. And we've carried on with a suite of other projects that we have on the go.

Ms. Higgins: — So it's been beneficial then, I would assume. I think the round tables have all been quite successful in areas that they have done work.

Do you also deal with at this table . . . I guess which is kind of a provincial government responsibility which partially may fall to Municipal Affairs, but I'm sure it affects all of the partners when we get into duty to consult.

Mr. Comstock: — No, we don't deal with the duty to consult at the MSSP tables.

Ms. Higgins: — It would be something you would deal with at a ministry level?

Mr. Comstock: — Yes.

Ms. Higgins: — Yes, okay. Thank you very much.

Mr. Isman: — The duty to consult piece is one that largely is led by First Nations and Métis Relations. However we have certainly worked with a number of the municipalities in terms of helping them assess when they would have a duty to consult, pertaining to certain projects or initiatives they want to undertake. So we try to play a bit of an educational role in that regard and making sure that we create the right linkages to see municipalities coached through that process when there is a duty that becomes apparent.

Ms. Higgins: — Would the urban connectors program fall under Municipal Affairs? No, that's Highways? It's all under Highways? Okay, thank you very much.

Now kind of I started, jumped off to something else and I'm back again. When we talk about the revenue sharing and the work that's been done, well I guess, how on earth did you come to the decision — when the whole basis for municipal revenue sharing and putting in place a permanent formula, so-called permanent formula that would provide a consistent revenue stream to the municipalities; it's work that's gone on for a number of years — the decision was made by your government to attach it to PST because it was stable, because it didn't have the fluctuations that resource revenues are well known to have. We just have to look back at the record of the province and look back at the record of the revenues to the province, and you can see the fluctuations in resource revenue and the effect that world markets can have on our budget here in the province of Saskatchewan.

But the decision was made to tie it to PST, and my understanding is the last-accounted-for year of PST is how it's done or supposed to be done. So we had one year where the formula was put into place, great fanfare that we had reached a permanent formula that would provide consistent funding to the municipalities. Municipalities were very glad that this had been achieved.

But one year later, we are seeing the provincial government step back from that supposedly permanent revenue-sharing formula. I guess, Mr. Minister, I have to ask, that I truly felt that what the final decision would be in the budget — and I'm in no way privy to any kind of discussions that happened at Treasury Board or at the cabinet table, but just from the years of experience that I had — I had fully expected for the provincial government to at least make a goodwill gesture to the municipalities. And if you were going to stay at 90 per cent of 1 per cent of the PST because of the mismanagement of the finances of the province and a miscalculation in your budgeting process, that you at least would have made the goodwill gesture and stayed at 90 per cent of 1 per cent going to the new calculation year, which would have been a small increase for municipalities. It would have kept it at the 90 per cent.

But I truly thought because of the . . . And I mean you've expressed the respect there is for municipal partners, the work that goes on, the work that has gone on over the years on a number of files, and that you work in close partnership with many of these organizations on a day-to-day basis. I truly felt that there would have been a goodwill gesture and that you would have attempted to reach, yes, take care of at least inflation that these municipal partners would have been, are faced with, and also consideration for the long term

commitments that they have on a day-to-day basis. That even though you were going to walk away from this permanent revenue-sharing formula that had only been in place for one year, that you would have at least partially stayed with the formula and moved to the new accounting year. Was that given any consideration in your budget decisions, or did you just decide that you were going to stay with the last year's amount, and that's it — over, said, and done?

Hon. Mr. Harrison: — Well as the member knows as a former minister, I'm not at liberty to comment on the deliberative process in terms of Treasury Board and the budget process. But what I will say is that the campaign pledge that the Saskatchewan Party made during the campaign was to come up with a predictable, stable revenue-sharing formula, which we've done and which we're going to be going to the full 1 per cent of PST next year. And that's a commitment that we've made to our urban, rural, northern municipalities, and it's a commitment they can bank on terms of their planning process.

In terms of the stable, predictable nature of the program, that was something I think that was something that was a success of the MSSP process and MSSP tables, in that that was something that had been worked on in a very collaborative fashion between the municipal level of government and the Government of Saskatchewan.

One of the things, in terms of the communication of the revenue-sharing decision, both the Premier and I have indicated that that could have been done in a much better fashion. I said that at the SUMA convention, as did the Premier, and we acknowledged that. But I think the important thing to remember here is that revenue sharing is at the highest level that it has ever been at, as the member has asked across the floor in question period a number of times, and I've indicated that. Revenue sharing at \$167.4 million is a 43 per cent increase in the two and a half years of our government, which is a record I think we're proud of.

It's a record we can be proud of, increasing revenue sharing by that amount, when we know in the past the previous government has, when making decisions, has decided to claw back revenue sharing in a very substantial and significant way. We're maintaining revenue sharing this year at the highest level it's ever been, a 43 per cent increase over the last two and a half years. And next year we're going to be going to 1 per cent of PST, which is going to be a very substantial increase in a global sense for municipal governments.

Ms. Higgins: — Well, Mr. Minister, you can talk about the money that was clawed back, and you're probably referring about 12 years ago, 15 years ago, but I have to say the last budget that was put forward by the NDP government in this province, there was total revenues to the province, I think the budget was \$7.7 billion. Last year's revenue to this government was 10.2, 10.6 billion, so we're talking almost a \$3 billion increase in revenues from our last budget to your second budget, third budget I guess. We're talking about the second highest revenues, never mind potash. Potash is gone out of this calculation totally. Even with actual received revenues to this provincial treasury, it was the second highest revenue in the history of the province of Saskatchewan.

So even at a time when you're seeing historic revenues, never mind the faux pas with potash and the goofy projections that didn't come to pass, still historic revenue to the provincial coffers and still you could not keep the revenue-sharing agreement that was reached with the municipalities across this province, that doesn't speak well to the fiscal management of this government and keeping the commitments that have been made to many partners. And I mean I don't even want to touch the whole piece of not floating this balloon in the media instead of a phone call to SUMA and SARM partners. That was just . . . Anyway we'll leave it alone, but I think enough's been said about it.

[15:15]

I mean these are folks that, like I say, you work with on a day-to-day basis. And you're kind of pulling the rug out from under them and you can, I mean . . . And yes it's good to see the increases that have happened, but the revenues are and should be there to maintain those commitments quite easily and stick to the promise that you've made to the municipal partners.

So, you know, you can talk about what's happened 15 years ago, but I'm sure you don't want to hear me talk about why those decisions had to be made. I mean we could spend a fair bit of time on that — the debt and deficit that was left to the province.

Hon. Mr. Harrison: — I was 12.

Ms. Higgins: — You were 12. Well I wasn't here either when the 100 million was pulled back, but you've thrown that at me in the last couple of days a number of times, that I voted for it. Guilty by association, I guess, but we can also go into the rationale of why those decisions had to be made. But the fact of the matter is, is that your government has had historic revenues — \$3 billion-plus over and above what the last government had in the last provincial budget that we put together. So \$3 billion higher; you should be doing some improvements. You should be. Running still over and above that \$1 billion deficit, it'd be nice to see where the money has been going . . . [inaudible interjection] . . . Well it is true. Well it is true. You can look at your own budget documents — \$622 million deficit this year. It's not true?

Hon. Mr. Harrison: — It's not true.

Ms. Higgins: — Well then you disagree with your own budget documents that are tabled in this House as documents of the Government of Saskatchewan?

Hon. Mr. Harrison: — As the member well knows, we brought forward a balanced budget. I don't know what kind of calculations or what sort of standard she's using. Obviously it's a different standard than the one that they used when they were in government, Mr. Chair. By the standard they used when they were in government, this is absolutely a balanced budget and it is a balanced budget, Mr. Chair.

In terms of her points with regard to revenue sharing, even using her own numbers which we'll probably be taking a look at later, there was, even using her own numbers, a 25 per cent increase or thereabouts in revenue to government. We increased

revenue sharing by 43 per cent. So even using her own numbers, that demonstrates the increased commitment that we have had as a government to funding municipalities in a revenue-sharing process than that government ever had before, Mr. Chair. So even accepting her numbers at face value, it shows that this government has a substantially greater commitment to properly funding the municipal level of government. The fact that we're at the highest level of revenue sharing by far that we've ever seen in this province, by far that we've ever seen in this province, Mr. Chair, I think speaks to that.

As I indicated, we're going to be going in, as our campaign commitment indicated, over the course of the four years we're going to be at the one point of PST which is going to be, again, another very substantial increase in terms of the number of dollars that municipal governments are going to have access to. So I just don't accept the premise of that member's question and I'd be happy to . . . I mean I'm not looking to get into a big political scrap here, Mr. Chair, but if that member wants to engage in that sort of political rhetoric, I'm happy to accommodate her.

Ms. Higgins: — Thank you very much, Mr. Chair. I just want to put in the record and for people who are listening at home, and this is the Saskatchewan provincial budget '10-11 titled *Balanced. Forward Looking. Responsible*. It has the coat of arms up in the corner. It's a government document that was issued on budget day. It's the background budget for 2010-11, key facts and figures. Revenue . . . and I was a little high on my revenue projections, Mr. Speaker, while . . . I was talking about last year, but this year, revenue, \$9.95 billion. It has a couple of points underneath; expense, 10.12 billion. So, Mr. Speaker, where I come from — South Hill, Moose Jaw — if your revenue's 9.95 and your expenses are 10.12, that's a deficit.

Anyway, Mr. Speaker . . . or, Mr. Chair — sorry, don't want to elevate you; you've got to earn your stripes, can't just bump you up there — I want to turn it over to my colleague because I know he has a few more questions.

Mr. Trew: — Thank you very much, Mr. Chair. I just listened and enjoyed the exchange between our critic and the Minister for Municipal Affairs and the officials. I've enjoyed most of these exchanges. I just wanted to sort of sign off where I started on and I'll be much briefer. I just wanted to say that despite the fact that our critic for First Nations and Métis Relations has been sick all week, we were scheduled to sit this evening. Now I find out that the minister is sick and that is cancelled or postponed. I just wanted to say we're happy campers to be here doing the work of the people and I want on the record — and I'd like the minister to know — it's not us that is bailing. People get sick, but I want to tell you, our critic was sick all week and yet he was willing to answer the bell.

Anyway, I thank the minister and officials for the exchange. I know that last bit had nothing to do with Municipal Affairs; it had everything to do with our opening salvo. I thank the minister. It really was an interesting set of estimates, and I appreciate you and the officials. Thank them for the work that is done throughout the year on behalf of the people of Saskatchewan. Thank you, Mr. Chair.

Hon. Mr. Harrison: — Yes, thank you. Thank you very much. And I know we have interesting exchanges on the floor of the legislature all the time, but I think it's important for people to remember at home that there is actually a certain level of co-operation and definitely mutual respect between both sides of the aisle with regard to the work that we all do and the responsibilities that we all have. And I want to thank the member for his questions and thank the critic as well for her questions, which I think were thoughtful and appropriate.

We'd like to also thank my officials for being here this afternoon, an incredibly professional bunch who I'm very privileged to work with at the Ministry of Municipal Affairs. And also thank you, Mr. Chair, and other committee members for their presence today.

The Chair: — Thank you, Minister Harrison. And before we get into a big hug, is it the wish of the committee to vote on vote 30, Municipal Affairs? If so, are there any other comments? If not, we will proceed with the voting.

Vote 30, Municipal Affairs, central management and services, subvote (MA01) in the amount of \$4,608,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Municipal relations, subvote (MA08) in the amount of 7,179,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Municipal finance assistance, subvote (MA07) in the amount of 301,177,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Federal municipal assistance, subvote (MA10) in the amount of 58,264,000, is that agreed?

Mr. Trew: — Mr. Chair, did I hear 254,000? Because it's 264,000.

The Chair: — The amount is 58,264,000.

Mr. Trew: — Yes. Good.

The Chair: — Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Saskatchewan Municipal Board, subvote (MA06) in the amount of 1,369,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Municipal Affairs, vote 30: 372,597,000. I will now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March . . .

Mr. Elhard: — Mr. Chair, I think there's some question about the last number you offered up.

The Chair: — Is there a question? Did I misquote that?

Hon. Mr. Harrison: — Can you just read it out again?

The Chair: — Okay. Municipal Affairs, vote 30: 372,597,000. I will now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2011, the following sum for Municipal Affairs in the amount of \$372,597,000.

Mr. Elhard so moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 30 agreed to.]

**General Revenue Fund
Supplementary Estimates — March
Municipal Affairs
Vote 30**

Subvote (MA07)

The Chair: — Now moving on to the March supplementary estimates. There was some questions regarding the March supplementary estimates for vote 30, municipal financial assistance, subvote (MA07) in the amount of 56,900,000. Is there any other questions regarding that supplementary estimate amount? No questions . . . [inaudible interjection] . . . Yes, there was questions that you'd covered in this area. Yes. Thank you.

So if there is no further questions, municipal financial assistance, subvote (MA07) in the amount of \$56,900,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Now the committee voted off the Municipal Affairs supplementary estimates in November of 2009, on November 23, 2009, in the amount of 20,831,000. We will need a resolution motion for the total amount voted for supplementary estimates for November 2009 and March 2010 for Municipal Affairs. Therefore I need a member to move the following resolution:

Resolved that there be granted to her Majesty for the 12 months ending March 31, 2010, the following sum for Municipal Affairs in the amount of \$77,731,000.

Is that agreed?

Some Hon. Members: — Agreed.

Mr. Chisholm: — I so move.

The Chair: — Carried. Mr. Chisholm made that motion. Is that agreed?

Some Hon. Members: — Agreed.

[Vote 30 agreed to.]

The Chair: — Carried. That concludes the Municipal Affairs for the Intergovernmental Affairs and Justice. Mr. Minister, thank you for, and your officials, for attending today. And thank you to the committee for most of the co-operation.

The committee will now recess for 5 minutes, and we will get ready for the Minister of Justice. Thank you very much.

[The committee recessed for a period of time.]

**General Revenue Fund
Justice and Attorney General
Vote 3**

Subvote (JU01)

The Chair: — Thank you and welcome back. This is the Intergovernmental Affairs and Justice Committee meeting and we will be discussing with the Justice and Attorney General. And following that, we will also be doing considerations of the main estimates for the Provincial Capital Commission. There has been a bit of a change in the schedule.

I am Warren Michelson, the Chair of the committee. We also have Wayne Elhard, Mr. Delbert Kirsch, Greg Brkich, Michael Chisholm, Kim Trew, Deb Higgins, and also joining us is Mr. Frank Quennell. Mr. Minister Morgan, welcome to the committee hearings, and if you want to introduce your officials and open with some remarks, please do so.

Hon. Mr. Morgan: — Thank you. Thank you very much, Mr. Chair. I am joined by a number of officials today and it has to do — the large number of officials — more with the complexity of the operations of this ministry than the fact that I need a lot of help. But we do a lot of different things here, and the officials who we have look after a lot of different moving parts.

I'm joined by Gerald Tegart, deputy minister of Justice and deputy attorney general. Lee Anne Schienbein, executive assistant to the deputy minister. Ken Acton, assistant deputy minister, courts and civil justice. Rod Crook, assistant deputy minister, regulatory services. Susan Amrud, executive director, public law. Rick Hischebett, executive director, civil law. Jan Turner, executive director, community justice. Daryl Rayner, executive director, public prosecutions. Dave Tulloch, executive director, corporate services.

Dorothy Riviere, executive director, human resources, Public Service Commission. Dave Wild, Chair, Saskatchewan financial services. Lionel McNabb, director of family justice services, courts and civil justice. Pat Thiele, director of victims services, community justice. Jeff Markewich, director of assurance and financial reporting corporate services. Dale Tesarowski, Crown counsel, policy, planning and evaluation. Dave Gullickson, senior policy analyst, policy, planning and evaluation. And also Judge David Arnot from the Saskatchewan

Human Rights Commission and his assistant Rebecca McLellan also from the Saskatchewan Human Rights.

Good afternoon. I'm pleased to be here to continue providing highlights of my ministry's 2010-2011 financial plan and to answer your questions. I am joined by a number of my officials, and skip that part because I had given all of their names. And we are continuing from where we were. I have indicated to the Justice critic that we have the officials here from the Human Rights Commission and that we have no objection to them answering questions as to some of the recent media issues regarding the Human Rights Tribunal. Mr. Chair, we are ready to answer questions.

The Chair: — Thank you, Minister Morgan. I would just request that if the officials are answering that they would state their names for the *Hansard* directory. Any questions? Mr. Quennell please.

Mr. Quennell: — Thank you, Mr. Chair. When I was minister of Justice, I think I made the comment once or twice that in Justice, at least, it seems to take a village to answer a question at estimates. That's not to concede the minister's point that he doesn't need all the help that he can get . . . [inaudible interjection] . . . I'm not sure that came from a member of the committee either, Mr. Speaker.

Hon. Mr. Morgan: — It's always a relief when the heckling comes from your own team.

Mr. Quennell: — Yes. Briefly I want to begin with the Automobile Injury Appeal Commission, and perhaps I can even invite the minister to give a short description of the work that that commission does and the makeup of the commission.

Mr. Crook: — Rod Crook. The Automobile Injury Appeal Commission is an independent, quasi-judicial administrative tribunal that decides no-fault bodily injury benefits pursuant to *The Automobile Accident Insurance Act*. Now in addition to the mandate of the commission, did you have another question about the composition?

Mr. Quennell: — Yes, question about the composition.

Mr. Crook: — The commission is composed of a number of members. There are two full-time members and then a number of part-time per diem members that are, that would hear . . . So it's a combination of the full-time and the per diem members in terms of the adjudicated work of the commission.

Mr. Quennell: — Are both the full-time members lawyers?

Mr. Crook: — Yes.

Mr. Quennell: — Are the part-time members lawyers?

Mr. Crook: — No.

Mr. Quennell: — So we have a quasi-judicial tribunal making judicial-type decisions, and some of the commissioners are not lawyers.

Mr. Crook: — Our two commissioners who are not lawyers

... The commission sits in panels of three. There is always a lawyer on every panel, and typically there would be two lawyers on every panel.

Mr. Quennell: — And is there any plan to dissolve the commission and have its work done by the Court of Queen's Bench?

Mr. Crook: — No.

Mr. Quennell: — Why not?

Hon. Mr. Morgan: — The commission is performing well, doing its work in a timely manner. And we are having discussions with another agency where we were considering having the work done by the Court of Queen's Bench, but this one is not under consideration.

Mr. Quennell: — It's doing its work well and in a timely manner?

Hon. Mr. Morgan: — It is doing its work well and in a timely manner. It is not under consideration.

Mr. Quennell: — Good answer, Minister. That's all my questions on that commission.

Now if we could move to the Human Rights Commission. I've had occasion, I don't think it's a secret, to have discussions with the Chief Commissioner of the Human Rights Commission recently about recommendations that he's made to the Ministry of Justice about reform of the commission. And I'm pleased that he's here, as I'm going to paraphrase my understanding of some of those discussions, and I can be corrected where I'm mistaken, and then we can proceed with the discussion fully informed.

Putting aside the issue of dissolving the Human Rights Tribunal and using the Court of Queen's Bench as the first tribunal to decide human rights complaints, putting that aside — and I'm quite willing to have the debate about that if anybody here wants to, but I don't care to initiate it — my understanding of the other recommendations of the Chief Commissioner are that we move from what he characterized to me, I think, as a one pillar commission to a four pillar commission.

[15:45]

The one pillar that currently represents the very good work of the Human Rights Commission is complaint-based investigation work, that the Chief Commissioner would like to see an expansion of the scope of the commission, the work of the commission in its service to the people of Saskatchewan. Include another pillar of effective mediation of complaints; a third pillar of systemic analysis, that is, looking for issues of access and unfair and unequal access to public services for example, not necessarily complaint-driven but proactively; and a fourth pillar of education including public education and perhaps education in the schools, and based upon the commissioner's very good work as treaty commissioner in a similar area, in respect to the education part at least, that component.

I want to say for the record that, to the extent that I understand the recommendations, I personally fully support them. Don't know why the opposition would not. Those recommendations came forward, putting aside the issue of dissolving human rights tribunals for the moment. Those recommendations may require legislative changes, and I believe we would be supportive of those legislative changes, but more than anything else they would require additional resources for the mediation, for the systemic analysis, and for the education component. And we see a budget increase that is essentially, once you take out inflation, a status quo budget increase.

So my question is: why is the government so excited, it appears, about dissolving human rights tribunals, and so reluctant to provide resources, increased resources for the other recommendations which are not controversial, I would think, for the Human Rights Commission?

Hon. Mr. Morgan: — The fact that the matter was leaked accelerated the process. This may well have been something that might have been introduced next fall or sometime in the future. The fact that it got released has brought it some considerable public attention, so we felt it was worthwhile to consider bringing some legislation forward now.

My answer as to the timing of whether we bring it forward, where we're at with it, is it's still under discussion because I have not yet got approval from either cabinet or the legislation and regulation review committee. But I have things before both of them, so that if those go, that we may well have legislation that may be introduced this session.

There would be some savings because we do not bear the costs of the tribunal and there is no offsetting costs within Queen's Bench. Queen's Bench will be able to absorb it; it's a federal expense in any event. But the indication from the Court of Queen's Bench, with the number of matters that actually go to a hearing, they feel that they would be able to absorb it without any additional resources. So we would have some saving there. And if the other aspects of it go ahead, we would have to look at what changes to our current funding might be there.

The mediation component, a lot of those things were taking place on an informal basis with existing resources and existing methodology. The education program is of course a new initiative, and we would have to consider what funding requirements might be for that, develop a budget and then make a determination is that something that's properly borne by the Ministry of Justice, or should that be something that would be borne by Education or some other entity.

Mr. Quennell: — The minister didn't refer to, I think, what I called the second pillar. I don't know where it was in the Chief Commissioner's list of systemic analysis, which I don't think is being done at all, formally or informally by the commission. I don't think the commission has resources for it.

And again, I largely see the recommendations of the commissioner that aren't controversial as being primarily issues of resources and not issues of legislative change. What is the cost, annual cost, and I appreciate it would fluctuate, but even an average or the cost for the last couple of fiscal years of the Human Rights Tribunal? So where's the amount of savings?

And if there is a perspective projection of the costs of the other reforms recommended by the Human Rights Commissioner, what are the cost of those reforms?

Hon. Mr. Morgan: — We don't have a number on the cost of, you know, whatever other programming might be developed or where it would be done, where that's too early of a stage to indicate where that might be, but we can give you some indication as to the number of things that went to the tribunal. My officials will have an answer momentarily.

Mr. Crook: — You asked about the cost of the Human Rights Tribunal. The average cost over the last couple of fiscal years has been about \$140,000 per year. In the immediate past year '09-10, the cost was just slightly under 117,000. So it's gone down a little bit. The cost on any given year is simply a function of the number of cases that the tribunal has to deal with and the complexity of them and the number of hearing dates.

Mr. Quennell: — And that \$140,000 would be included in the estimated cost of the Human Rights Commission?

Mr. Crook: — No, the cost for the Human Rights Tribunal would be included in the inquiries line of the Ministry of Justice budget, not the line for the Human Rights Commission.

Mr. Quennell: — Unless the minister or the Chief Commissioner have anything to add, I'll move off this topic. Oh, I guess I have a question arose from the minister's comments. Is the minister anticipating introducing legislation this spring now?

Hon. Mr. Morgan: — As I'd indicated, I don't have approval from cabinet or the legislation and regulation review committee. If I get that approval, I would intend to.

Mr. Quennell: — Then that's my final question unless there's some other commentary . . . [inaudible interjection] . . . Well, you know, if the Chief Commissioner wants to say anything about my comments on the record, I'd be perfectly happy.

Mr. Arnot: — Well speaking on behalf of the commission, I really appreciate your comments about support for the four pillars and a new direction or a repositioning of the Saskatchewan Human Rights Commission. And I certainly appreciate that kind of support.

The issue of moving the tribunal to a court, to the Court of Queen's Bench, I don't know if, I gather you don't want to really get into that today. And therefore I won't have any comments, but I do have a . . .

Mr. Quennell: — I didn't want to initiate the debate; as I said, I'm willing to have it.

Hon. Mr. Morgan: — It may be a good second reading debate.

Mr. Arnot: — I feel very strongly about the need to make that change, and the commission does as well, so I'll leave that for another place. But I have no further comment then, unless there's any other questions.

Hon. Mr. Morgan: — Thank you. Thank you very much.

Mr. Quennell: — And a thank you to the Chief Commissioner for making himself available this afternoon.

I have a couple of questions about securities, the passport system. And maybe if Mr. Wild can come down, it'd be helpful.

Hon. Mr. Morgan: — We're joined by Dave Wild who is the Chair of the Saskatchewan Financial Services Commission.

Mr. Quennell: — Thank you. Mr. Chair, I understand — I believe it was November 2009, but my memory could be wrong — the federal government made a reference, I think to the Supreme Court of Canada as to the constitutionality of a national securities commission. And I believe that the province of Quebec, not surprisingly, but also the province of Alberta that felt very strongly about support of the passport system, have intervened.

But the province of Saskatchewan — despite my being informed by the minister on every occasion that I've had to ask him the question, he has answered it, of Saskatchewan's alleged support for the passport system — am I mistaken in my understanding that Saskatchewan is not supporting its colleagues, particularly Alberta and Quebec, in defence of the constitutional rights of the province of Saskatchewan over property and civil rights in respect to this question?

Hon. Mr. Morgan: — I don't want to comment on the litigation or the likely outcome of the litigation that's there. When we formed government in 2007, the position of the Saskatchewan government, it was very much supportive of the passport system.

Since that time we've seen the collapse of the global markets and we've seen a strong intent on the part of the federal government to go ahead with a single regulator model. They have appointed a panel to develop options and to work towards transition. We have appointed Dale Linn, a lawyer from Saskatoon, as Saskatchewan's representative on that panel.

And the direction that we gave, and my discussion with Minister Prentice . . . or with Mr. Flaherty and with his staff was, the fact that we were participating in that process should not be seen as an endorsement of that process, that we were still considering where we want to, where our province needs to be on it.

We recognize the need to develop strong capital markets; we also recognize the need for some significant local input into that. Our feeling is that if the federal government is going to go ahead and do this, we would rather be a participant with significant input than merely a litigant, and put our eggs in that basket, to use that term.

I've had discussions with the ministers responsible from Manitoba, Alberta, and BC [British Columbia], and with some of the officials from Quebec. The decision from Alberta and Quebec is they do not wish to participate in the negotiations or planning process, and they are solely relying on the outcome of three different challenges — one, the reference by the federal government, and then the separate challenges by each of

Alberta and Quebec. We will not be participating in the Alberta or the Quebec one as an intervenor, although we may participate in the federal government reference.

I don't know whether that gives you an answer. It's not a yes or a no, so it's not a clear answer, I appreciate.

Mr. Quennell: — I was just going to say, Mr. Chair, that's it's not either-or. The minister seems to be suggesting that if one was a litigant or an intervenor or a challenger to what the federal government . . . And this is not new. Successive governments, federal Liberal and federal Conservative governments have been pushing this fairly hard, Mr. Chair.

But it seems to be the position of the minister, or the understanding of the minister that if one is a litigant, as he puts it, in this process, that one can't be part of the process afterwards. And surely the minister isn't going to suggest that the Harper government is that petty, that if you challenge, stand up for your province and its constitutional rights and challenge the federal government's right to unilaterally impose a national security commission on a country, that you won't be involved in the process thereafter.

[16:00]

Hon. Mr. Morgan: — Well the processes are taking place at the same time, so we've chosen to participate in the planning process on an informal basis. Some of the other provinces chose not to participate. With regard to the litigation, we cannot make a decision whether to participate. We have not yet formally seen what the legislation looks like.

Mr. Quennell: — Does the minister have an idea as to when the Saskatchewan government would make the final decision about whether it would participate in both the discussions that are going on and the challenge?

Hon. Mr. Morgan: — I would imagine that would have to take place in the reasonably near future. The federal government will have to introduce their reference question to the Supreme Court, and when they do that, they would have to have a Bill made available at that time for it. So at that time, we would have open access to the Bill and we would make a decision.

Mr. Quennell: — Thank you. I guess Mr. Wild didn't have to answer any questions.

Hon. Mr. Morgan: — I have confidence in his ability to answer, but what you were answering was more of a government direction.

Mr. Quennell: — I don't know who the minister might want to call upon. I don't have any suggestions at the moment; a couple of suspects I guess. It involves another fight that I think the Government of Saskatchewan is avoiding.

And just a little backup. As the minister will know, the New Democratic Party government brought in legislation enabling the Government of Saskatchewan to join the provincial litigation against tobacco companies in respect to health care costs that had been initiated by British Columbia. And at the time, the Saskatchewan Party being in opposition, declared that

they were supportive of the legislation. I said, as minister of Justice, and a critic — not the current minister of Justice, but a critic for the Saskatchewan Party — said that upon a critical mass of provinces, and that meant including Ontario or Quebec, so size and number, that we would be willing to enter into that litigation.

Now that critical mass is there, and the government appears to be dragging its feet. And if the minister can advise whether there's any, there's any will for this fight on the part of the government? And if there is, what steps can we expect to see in the near future?

Hon. Mr. Morgan: — I have Rick Hischebett here, and I'm going to let him give you an answer in this area.

The simple answer is we have passed and supported the legislation to enable us to do this, and we are, we are planning to participate in the litigation. What we're waiting to do is wait and see how the other provinces, the larger provinces are developing their strategy so that we're not out of sync. I'm going to let Mr. Hischebett give a more formal or detailed answer.

Mr. Hischebett: — I think one of the answers to that is that in recent years I think you will see the tobacco focus has been more in settling smuggling claims. And so in the last two years, I think, across the country we've seen smuggling claims that have been settled, and that's been the primary focus of the other jurisdictions as well, is to deal with the smuggling issue. And so that's what's been going on for the last couple of years, including a settlement in the smuggling field just as recently as last month.

Mr. Quennell: — That was in the news, but that's . . . Again, the question is to the minister, that that's not reason for holding up the litigation on the part of Saskatchewan on the health care costs.

Hon. Mr. Morgan: — We've made a conscious decision, one, to see what happens with the smuggling piece, and what we will do is we will want to develop our litigation strategy in consultation with the other provinces.

The answer to your question is yes, there is no change in policy, no change in direction. We have every intention of going after this. The brief pause was because the other jurisdictions chose to wait because of the smuggling litigation or smuggling matter, and we wish to have our position on the litigation consistent with what takes place in the other provinces. And I know there's some consultation back and forth with the other provinces, and we will proceed as the larger provinces will.

Mr. Quennell: — Thank you, Minister. While we're on litigation, a case that the government hasn't been reluctant to pursue, and that's the reference re marriage commissioners. And if I briefly preface my questions because mostly it's a matter of costs, and I appreciate the costs won't be very large, but I think we should have on the record what they are. And my understanding of what the costs would be composed of will be my preface, and of course I make my comments so that if they're incorrect, I can be corrected in my factual assumptions.

The Government of Saskatchewan, as I understand it, has put forward or will be putting forward to the Court of Appeal two draft pieces of legislation, very similar but slightly different in wording, as to the ability of marriage commissioners to opt out. And I guess the difference in wording, as I understand it, between the two pieces is which marriage commissioners — all of them or just some of them, depending on the date of their appointment as marriage commissioners.

I further understand that the argument for the legislation and the argument against the legislation are both being made by lawyers from outside of government, and that is . . . So lawyers from private firms, that those lawyers have been, both lawyers arguing both sides have been appointed by the Minister of Justice and that the taxpayer is paying both lawyers to argue each side of this argument.

And I guess my first question, and I only have a couple, is so far what is the cost of the reference in legal fees and otherwise?

Hon. Mr. Morgan: — We wouldn't provide the costs on an interim basis on something; we would regard that as inappropriate to answer or comment specifically on, on the litigation. The only thing I want to take issue with your comment is we don't, we do not appoint the lawyers. We make a recommendation to the court as to who might be willing to accept it once the reference question is posed, and we make the resources of the province available to the court system. But the province steps back out of the process and it's very much controlled by the courts at that point. So we are not, we are not active in the process at all.

Mr. Quennell: — Okay. So the minister believes it would be more fair to refer those to lawyers as court-appointed lawyers?

Hon. Mr. Morgan: — That's correct.

Mr. Quennell: — But there would be legal costs paid for by the Ministry of Justice, but the minister declines to provide what they are?

Hon. Mr. Morgan: — That's correct.

Mr. Quennell: — Are there intervenors in the reference at this stage?

Hon. Mr. Morgan: — It would once again be at the discretion of the court to determine whose costs would be paid or whose costs wouldn't. And at this point, I don't know the status of that.

Mr. Quennell: — The minister doesn't know if there's intervenors?

Ms. Amrud: — Susan Amrud. The Court of Appeal made an order on January 13th granting intervenor status to all of the applicants who applied for intervenor status. Would you like me to read them to you?

Mr. Quennell: — Yes, please.

Ms. Amrud: — Okay. Canadian Civil Liberties Association; Canadian Fellowship of Churches and Ministers; Christian

Legal Fellowship; Désirée Dichmont; Reverend Paul Donlevy, chancellor of the Roman Catholic Diocese of Saskatoon; Egale Canada Inc.; Evangelical Fellowship of Canada; Bruce Goertzen and Larry Bjerland; Saskatchewan Federation of Labour, solidarity and pride committee; Gay and Lesbian Community of Regina; Clifford B. Harrison; Marilee Anne Iverson; Brita Lind; Leah Leippi; and the Prairie Lily Feminist Society; Saskatchewan Human Rights Commission; Seventh-day Adventist Church of Canada; and the Manitoba-Saskatchewan Conference of the Seventh-Day Adventist Church on behalf of the clergy and members of the Seventh-day Adventist Church in Saskatchewan.

Mr. Quennell: — Thank you very much. And they've all been granted standing, I understand from the answer. And so those costs will also be paid, those legal costs will also be paid by the taxpayer?

Ms. Amrud: — None of them applied for funding.

Mr. Quennell: — So with the exception of the Human Rights Commission, which is funded by the taxpayer, most of that counsel will not be paid by the taxpayer?

Ms. Amrud: — That's right. None of them applied for funding.

Mr. Quennell: — Okay, that's my questions on that subject. And that takes us to, I think, courts capital.

Hon. Mr. Morgan: — We're joined by Ken Acton.

Mr. Quennell: — The provisions here under courts capital, I understand, are for the court at Meadow Lake? The new courthouse at Meadow Lake?

Hon. Mr. Morgan: — Correct. There's two, two and a half million dollars for finalization of that project.

Mr. Quennell: — And where is the courthouse at La Ronge at?

Hon. Mr. Morgan: — I think it's in the north end of La Ronge.

Mr. Quennell: — I'd be happy if it was there at all, Minister. What is the status of that courthouse?

Hon. Mr. Morgan: — I apologize for the humour. It would be in the early planning stages. It is not on the capital budget for this year.

Mr. Quennell: — And as the minister I think suspects — and I don't mind the minister's humour — I think, as the minister suspects, I have a concern that I want to put on the record. Prior to the 2007 election, these courthouses which are if not identical in design, nearly identical in design or exactly the same place in planning and exactly the same funds have been committed to design and planning, and the only difference might have been — and referencing back to the minister's joke — was that in the case of Meadow Lake I think the site was clear and in the case of La Ronge there might have been some question about the siting. Now we have a well-advanced courthouse in Meadow Lake which the Sask Party won in the last election 2007 narrowly, and no courthouse in La Ronge which is in Cumberland, which the Sask Party did not win in the last

election. And I think that's a remarkable coincidence. I'm sure the minister has a different explanation.

[16:15]

Hon. Mr. Morgan: — We know that we need courts capital expenditures in a number of different places in the province. There was issues with location, and La Ronge wasn't ready to go. The decision was, which place was ready and where was the most immediate and pressing need. And I would rather have one courthouse completed than some that wouldn't . . . you know, doing planning on three or four and then having none of them go ahead.

We need courthouses in Melfort. We need a new provincial court facility very much in Saskatoon, La Ronge. So those would be, those would be the next ones. I'm not sure what order they would do, what order they would be completed in, but we need those from a Provincial Court. And then the next courts capital though that would be on our list would be Court of Queen's Bench in Saskatoon which is . . . We would like to be able to accommodate changes to the family law division, and that one is well advanced in the planning stage, but has not yet gone ahead. And I think that's in Mr. Forbes riding.

Mr. Quennell: — Well that's an informative answer, but it doesn't really respond to the question, which was that very similar, if not identical, courthouses were exactly the same planning stage prior to the 2007 election. One in Meadow Lake is well on its way to being built, and the one in La Ronge is not.

Hon. Mr. Morgan: — I'm told we have the site in La Ronge. I'm told that Meadow Lake was further down the road at the time. As I recall, my predecessor did a sod-turning in Meadow Lake. Naturally we would very much want to have completed a project where there had been a sod-turning and a high local expectation. I would not want to have disappointed the people that my predecessor may have made commitments to.

Mr. Quennell: — If the minister is seriously suggesting that by turning one shovel load of dirt has made the difference here, I'm not sure where I go from here, Mr. Chair. I didn't realize that the whole foundation relied upon that shovelful of dirt that I turned in Meadow Lake, Mr. Speaker. I would have dug two in La Ronge if I'd known that.

Thank you very much, Mr. Chair. Thank you very much to the minister for answering my questions. And I don't wish to suggest the committee members on either side of the House might not have some further questions, but I want to take occasion — I hope everybody is here that was here last time that we talked about estimates for the first hour — because I want to thank all the officials who I understand may have been required to cancel some personal plans and reschedule their lives around some of the work that the legislature is doing at different times of the week than usual. So thank you to everyone on my behalf at least, Mr. Chair.

Hon. Mr. Morgan: — Thank you. And if, I presume we're ready to vote the . . . [inaudible interjection] . . . Okay. Fine.

The Chair: — Yes, the Chair recognizes Ms. Higgins.

Ms. Higgins: — Thank you very much. Mr. Minister, you should never assume, right? Just actually a couple quick ones.

There used to be a partnership between Labour and Justice, having dedicated prosecutors in the area of occupational health and safety for a number of reasons, that it gave a higher priority to the issue in Labour, and that also allowed a prosecutor to build an expertise, if you will, in that area to be able to move cases ahead and provide a safer work environment, and I think send a message basically to employers across the province that the Government of Saskatchewan was paying attention to occupational health and safety. Is that program still in place?

Hon. Mr. Morgan: — We're joined by Daryl Rayner, executive director of prosecutions.

Mr. Rayner: — Yes, the program is still in place. Justice funds the prosecutor now. Originally it started where it was funded by OH & S [occupational health and safety] and WCB [Workers' Compensation Board], but the funding has been assumed by the Justice budget now. And so we do have one prosecutor in Regina who devotes a substantial amount of their time dealing with issues from Labour, from WCB.

Ms. Higgins: — So it's still, is it basically a full-time between WCB and OHS? Or is it partial and assigned other duties also?

Mr. Rayner: — Depending on their workload which is coming from OH & S, labour standards has also joined in because of some of the concerns raised by that division. And so there is actually three aspects of the workplace that are now being considered, but depending on the workload which is coming from OH & S, WCB, and Labour, that prosecutor sometimes takes on other responsibilities.

Up until recently, it was actually a joint position. We had two people who were doing the work, but I think between the two of them, they had probably done approximately, probably 70 per cent of their time would have been devoted to dealing with those files.

Ms. Higgins: — Now it's down to one person?

Mr. Rayner: — Who is again, approximately 70 per cent of one person's time is dealing with it. Yes.

Ms. Higgins: — So is it easier to have it with one person, or does it give you a bit more flexibility with the two? I guess it was always a concern that the expertise wasn't there or . . . And the way the cases were prioritized, it was always a bit of a concern also.

Mr. Rayner: — That's why we went to trying it with two people. The problem was just trying to deal with the files, and we found that it's very difficult to get two people to develop that expertise. It was much easier just to have the one, one individual focusing and liaising with the ministries, rather than trying to coordinating two prosecutors' times to handle it.

Ms. Higgins: — Good. Thank you very much.

The Chair: — Thank you, Ms. Higgins. Is there any other questions or comments? Seeing none, is there agreement of the

committee to vote 3, Justice and Attorney General? We will vote.

Central management and services, subvote (JU01) in the amount of \$21,220,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Courts and civil justice, subvote (JU03) in the amount of \$33,845,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Marketplace regulation, subvote (JU07) in the amount of \$1,813,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Legal and policy services, subvote (JU04) in the amount of \$26,078,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Community justice, subvote (JU05) in the amount of \$19,458,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Boards and commissions, subvote (JU08) in the amount of \$25,299,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Courts capital, subvote (JU11) in the amount of \$4,500,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Amortization of capital assets in the amount of \$700,000. This is for information purposes only. No amount is to be voted.

Justice and Attorney General, vote 3 in the amount of \$132,213,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — I will now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2011, the following sums for Justice and Attorney General in the amount of \$132,213,000.

Mr. Elhard: — So moved.

The Chair: — Mr. Elhard. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 3 agreed to.]

The Chair: — Thank you, committee, and thank you, Mr. Minister and all your officials for appearing before the Standing Committee on Intergovernmental Affairs and Justice. Is there any closing remarks you would like make?

Hon. Mr. Morgan: — I would like thank the officials that are here today and have been here earlier, not just for the work that they've done in preparing for estimate, but in the work that they do for the citizens of Saskatchewan throughout the year. So I'd like to, on behalf of all MLAs, thank the officials and all of the employees of the ministry. Thank you, Mr. Chair.

The Chair: — Thank you, Mr. Minister, and thank you committee. We will now take a recess of 10 minutes and get set up for the consideration of the main estimates of the Provincial Capital Commission.

[The committee recessed for a period of time.]

**General Revenue Fund
Office of the Provincial Capital Commission
Vote 85**

Subvote (PC01)

The Chair: — Well thank you. Welcome back to the Standing Committee on Intergovernmental Affairs and Justice. We are appearing for the consideration of the main estimates for the Provincial Capital Commission. With us is Minister Duncan. Minister Duncan, welcome. We'd ask you to introduce your officials, and if you have some remarks, we'd be prepared to listen to them.

[16:45]

Hon. Mr. Duncan: — Thank you, Mr. Chair. Good afternoon, committee members. I'm joined today by, on my right, Rick Mantey, the interim CEO [chief executive officer] of the Office of the Provincial Capital Commission, and on my left, Wanda Lamberti, the executive director of central management services.

It's a pleasure for me today to speak to the first set of estimates for the newly created Office of the Provincial Capital Commission. As you and all the hon. members will recall, our government announced during the last provincial campaign that we would create a Provincial Capital Commission to bring elements of our capital — provincial capital — together, and by doing so, would showcase the heritage and the seat of government for our province.

In 2007, under the leadership of the now Minister of Government Services, in her capacity as minister responsible for the Capital Commission, we began the task of answering the question: what is the nature of the capital city, what facets of our history and heritage does it need to promote and highlight, and what role does the commission play in serving all the people of Saskatchewan?

Mr. Chair, I want to thank my colleague for her hard work and dedication in taking the time to reflect and consult with

Saskatchewan people throughout the province on this matter. The efforts of her labours are what we see today in the Office of the Provincial Capital Commission.

The creation of the Office of the Provincial Capital Commission will preserve and promote the history and culture of Saskatchewan and ensure that Saskatchewan's capital continues to remain a source of pride for the people of Saskatchewan. It will also help build awareness and educate the public and visitors about the history of the province and how the province is governed. And it will assist in promoting the capital, the city of Regina, as a welcoming place for all Saskatchewan residents, visitors, and encourage tourism opportunities.

Mr. Chair, we will be working with our partners, the city of Regina, First Nations, Tourism Saskatchewan, the Saskatchewan Heritage Foundation, and many more as we continue to build and mature our work in this area.

The actions we have taken and the creation of the commission effective April 1st, 2010 have been to create a commission under the provisions of *The Government Organization Act* as an office within executive government and to assemble those appropriate agencies in this initial iteration of the commission. With the indulgence of the members, I'd like to take a couple of moments to outline why these agencies, as it may not be clear to members as to the initial linkages.

I will begin with Government House. As members are aware, this natural historic site and provincial heritage property provides an educational, tourism, and hospitality function by raising the awareness of the history of Canada, Canadian governance, the role of the Crown, the role of the Lieutenant Governor within our constitutional monarchy, and the close affinity of the First Nations and Métis people to the Crown.

Over the last two years under the leadership of my colleague, the Provincial Secretary, this facility has embarked upon a revitalization plan. The 2010 revitalization plan will redesign the visitor experience, focusing on youth, community, technology, and tourism. These necessary improvements will bring the programming at Government House more in line with other national and international museums and will encourage increased visits. It addresses the concerns we have heard in recent years from educators and visitors.

Stakeholders, including the Government House Historical Society, heritage and tourism organizations, and citizens of Saskatchewan have provided solid information and advice to the Government House management team of the requirements for this facility to move forward. The commission's budget provides \$407,000 for the delivery of programs and services at Government House.

Also included is the Saskatchewan Archives Board, which acquires and preserves cultural resources of the province essential not just for self-knowledge but also for the protection of individual and collective rights. The Archives Board manages one of the most comprehensive archival collections in Canada, including public and court records of the Government of Saskatchewan and of local governments. They have critical historically important documentation from private sources as well.

They also provide information and records management for the Government of Saskatchewan. The commission's budget provides approximately \$4.2 million for the continued delivery of these services.

Mr. Chair, in 2012 we will be celebrating the 50th anniversary of the Wascana Centre Authority, another agency included in this collaboration. Established under the provision of *The Wascana Centre Act*, this authority represents the interests of the centre's three partners: the Government of Saskatchewan, the city of Regina, and the University of Regina.

As we move closer to the celebration of this milestone, we are mindful of the role that the centre continues to play within our capital city, enhancing educational research and development opportunities, improving and expanding recreational facilities, advancing cultural arts, and ensuring the conservation of the environment. The centre is facing many challenges. I look forward to working with the partners to meet these challenges head-on and put in place practical and workable solutions for future growth and development. The commission's budget provides approximately \$2.9 million to support Wascana Centre Authority's initiatives.

The last agency I want to speak about is the Conexus Arts Centre. As southern Saskatchewan's premier facility for large-scale theatrical production and acoustic performance, the Conexus Arts Centre is the home for the Regina Symphony Orchestra, the oldest symphony orchestra in Canada. The centre annually hosts a range of local and national music and theatre events and other important related activities and events that support the province's cultural sector.

Mr. Chair, we will continue to work with the centre's management and board to ensure that the centre remains in the forefront of venues selected by promoters throughout Canada to showcase national and international productions and at the same time remain a venue that contributes to the development of our own cultural scene. The commission's budget provides an operating grant to the centre in the amount \$446,000.

The Capital Commission will maintain and build on existing partnerships in order to achieve common goals. This collaborative approach is consistent with government's priority of keeping our footprint small and not duplicating services. Mr. Chair, the Office of the Provincial Capital Commission is a lean operation. As the estimates indicate, it will have a staff of three individuals. Mr. Mantey, in addition to his other responsibilities in government, is acting as the interim chief executive officer or permanent head of the commission for no additional remuneration. A permanent CEO will be appointed in the near future by the Premier.

Ms. Gwen Jacobson, the former deputy chief of protocol, has been appointed as the director of operations. She will oversee the coordination of events executed by the commission and will be working with our agencies and stakeholders to ensure that events like Canada Day, the 120th anniversary of Government House, the 100th anniversary of the Legislative Building, and many others are provided the relevant support. These activities are within the mandate of the commission to coordinate, develop, and implement policies and programs of the Government of Saskatchewan related to international, national,

provincial, and regional special events and anniversaries to be commemorated within Saskatchewan's capital city.

And the final staff member which we are in the process of securing will provide the necessary administrative support for these efforts.

The commission's offices are housed at Government House. This reduces the costs associated with providing office space and the associated amenities. The remainder of the budget covers these costs as well as operating costs and salaries, including the provision of executive direction and centrally managed services.

Hopefully, Mr. Chair, you and all members of the committee will see a theme emerging here. Heritage promotion, story of a province, cultural awareness, democratic awareness, and capital city presence. These five pillars provide the initial platform upon which we will begin our work as a commission.

Mr. Chair, we are just commencing our work. Bringing together these components is not the completion of our work but only marks the initial step of a journey. In the next several weeks I will announce the creation of an advisory committee that will assist me and the commission in planning the way forward. There is no question that the city of Regina, under the leadership of the mayor, will play a critical role in this work. Just as critical, however — for our provincial capital belongs to all the people of Saskatchewan — are those members of the committee who will be appointed from outside of the capital region.

The mandate of the committee is being finalized. However it will be very much along the lines of the mandate given to the commission, namely conserving, preserving, managing, protecting, and developing Saskatchewan's capital city as a source of pride for the people of Saskatchewan, and informing and educating and collecting and disseminating information with respect to the importance of Saskatchewan's capital city and its place in the life and history of Saskatchewan and of Canada.

This is a responsible budget that will allow the Office of the Provincial Capital Commission to ensure that Saskatchewan's capital continues to remain a source of pride for the people of Saskatchewan. It will also help build awareness and educate residents and visitors about Saskatchewan's history and how the province is governed. And it will help promote Regina as a welcoming place, and encourage tourism opportunities.

Mr. Chair, I look forward to working with members of the House and the people of Saskatchewan as we continue to refine and move the commission forward. We would be now pleased to answer any questions that members have on the Office of the Provincial Capital Commission budget. Thank you.

The Chair: — Thank you, Minister Duncan. Are there any questions for the minister regarding the Capital Commission?

Mr. Trew: — Mr. Chair, there are no questions.

The Chair: — Mr. Elhard.

Mr. Elhard: — Thank you, Mr. Chair. I think the minister's covered almost all of the areas of question I had in his opening remarks. But I never miss an opportunity to pick up on one area. As I understand it, there is a capital commission in the nation's capital in Ottawa. Are there other examples of capital commissions in provincial jurisdictions that would help us glean some information or provide a model for this particular undertaking? Or have we had to look to other jurisdictions for this type of project?

Hon. Mr. Duncan: — Mr. Chair, Mr. Elhard, thank you for the question. You're right. There is a National Capital Commission responsible for the capital region. There are also capital commissions, as I understand it, in the province of British Columbia and in New Brunswick. And it is our understanding that the province of Nova Scotia is currently looking at the idea as well.

Mr. Elhard: — So in many ways, outside of the national experience in Ottawa, we're going to be a bit of a trailblazer in this undertaking. And you've indicated the ultimate purposes that you hope to achieve through this undertaking and the bringing together of quite a variety of participants and players. What do you see as the possibility for inclusion of other organizations, and how would you welcome them into the Capital Commission as it develops?

Hon. Mr. Duncan: — Well I think I would say, to answer your question, Mr. Elhard, that certainly this is just a beginning point for the Capital Commission. And it seemed the logical starting point to include those organizations that I listed off that we think that there are some common goals between all of these organizations. And certainly we hope, it's my hope, that the Office of the Provincial Capital Commission will help to highlight some of those organizations that we are including under the umbrella of the Capital Commission.

To your question of are there other organizations, you know, that remains to be seen. I think certainly the early example of the Capital Commission inviting or welcoming other organizations into the Capital Commission I think is indicative of our interest to help grow this new organization. And so I don't know if there are specifics that you're talking about, but you know certainly we would be open to suggestions or ideas that would help to build this new organization going forward.

Mr. Elhard: — I don't know if this building is considered an organization or not, but you know we have one of the finest examples of historical architecture here, and an object that is representative of the great province, both geographically and from a social and political perspective. This building is representative of the best of the province and what the province was intended to be. And so I'm wondering if the Capital Commission will have some bearing on this building and its operations, its availability to the public and its importance to the population as a whole.

Hon. Mr. Duncan: — Certainly, certainly I share your belief in the importance of this building, not only because it is the seat of government but also its significance, the historical significance of the Legislative Building. The Capital Commission will be working with the Legislative Building and the staff to . . . in working towards the plans for the 100th anniversary of the

Legislative Building that is upcoming.

But I would also add that one of the tasks of the advisory committee going forward will be to identify other opportunities that the Capital Commission, the Office of the Capital Commission can play in raising the profile of not only Regina as the seat of capital, but the other stories around the history of Saskatchewan. Certainly this is the seat of government for the province of Saskatchewan, but there are other areas across the province that have played significant roles in the creation of the province and even going before that. And so I'm looking forward to working with the advisory committee, once we establish its membership in pursuing other ideas.

[17:00]

Mr. Elhard: — Refresh my memory. You talked about Government House. You talked about the Wascana Centre Authority, the Archives Board, and I think there may have been others . . .

Hon. Mr. Duncan: — Conexus Arts Centre is the fourth one.

Mr. Elhard: — I know how well regarded the Wascana Park is, and the Authority has, you know, has a lot of opportunity to benefit the people of the province simply because the park is — what, the largest of its kind in the nation. And it's well used; I live in close proximity when I'm in Regina so I, you know, I see the public participation that the park invites.

So I guess, out of that, that awareness, I think there's an opportunity for the Capital Commission to build on that popularity and that attraction that the park provides. I guess time will tell whether the Capital Commission is able to build on that component to a heightened awareness and enjoyment and participatory level for some of the other features, some of the other jewels in this commission. And so I'm going to be anxious to see, you know, what difference the Capital Commission will make in that rising awareness and sort of place of prominence that you're talking about in terms of the capital city. I don't have any other questions, I just wanted to offer those comments because this is I think an undertaking that can benefit the region to the ultimate enjoyment and benefit of the people as a whole.

Hon. Mr. Duncan: — But, Mr. Chair, just to respond to Mr. Elhard's comments. I appreciate his comments on the significance and the importance of Wascana Centre Authority.

I can tell the members of the committee that we're looking forward to working with all of those organizations that have already been identified as coming under the umbrella of the Capital Commission, keeping in mind that their existing board structures and management systems will remain in place. Nothing with moving their budgets from Tourism, Parks, Culture and Sport budget over to the Capital Commission, that doesn't change the day-to-day operations.

But it certainly I think allows us to collaborate more closely with those organizations as we move forward. I can say that Mr. Mantey has recently met with — an introductory meeting — with the board of Wascana Centre Authority. I'm going to be meeting with the board in the coming weeks and look forward

to doing that with not only Wascana Centre Authority, but with the other organizations that we've already identified. So your point is well taken on the significance of the authority.

The Chair: — Mr. Chisholm, you had a question?

Mr. Chisholm: — One quick question, where are the offices going to actually be physically located for the authority?

Hon. Mr. Duncan: — The Office of the Provincial Capital Commission will be located within Government House.

Mr. Chisholm: — Thank you.

Hon. Mr. Duncan: — And in fact they are up and running.

The Chair: — Thank you. Mr. Warren McCall has joined us, and I believe you have a question or a comment?

Mr. McCall: — I do, Mr. Warren Michelson, Mr. Chair. Thank you. I guess thanks to the minister and officials for their presentation. And I guess I would express a similar wish as that of my colleague opposite in terms of the hopes for this entity. And certainly I'm sure there will be some growing pains in terms of existing structures and trying to make sure that the sum is greater than the parts.

So I wish you well you in that regard, may there be more collaboration than conflict. And may the diplomatic skills of Mr. Mantey not be tested too mightily. But I guess the . . . You know, I almost want to ask if there's going to be a dispute resolution mechanism anticipated in the structure of the commission as it goes forward because again you have some very long-standing, well-established organizations being brought together in a new way. That's always a bit of a challenge, certainly. And the largest urban park, not just in the country but I believe in North America as was referenced by Mr. Elhard, it's a long-standing entity that has a lot of . . . that already does a pretty interesting, unique job of bringing together different stakeholders in a pretty impressive way.

So I guess I state that not so much to ask for response from the ministry — you've already given a fairly extensive statement on the state of affairs — but more a way of wishing you well and we'll be watching to see how this rolls out.

I guess one specific question as regards the components of the commission and the physical holdings of the commission. One of the entities that we have in Regina Elphinstone-Centre that I know, Minister Duncan, you've been a history student as well, something we're very proud of are the Territorial Building on Dewdney. And I was wondering what is the relationship of the Territorial Building to the Capital Commission and is there, are there any plans for the Capital Commission regarding that important heritage infrastructure?

Hon. Mr. Duncan: — Thank you for your question, Mr. McCall, and this is certainly, certainly one of the buildings that I have an interest in. As you state, I think we share an interest and a background in history and so it's one that I've, since becoming Minister Responsible for the Capital Commission at the beginning of April, it's one that I haven't put a lot of thought into but it's one that I think, you know, certainly is a

significant building for the . . . in terms of the history and the heritage of Saskatchewan and one that I would like to see more fully developed and utilized going forward. It is a building that's owned by Government Services, so we'll be working with Government Services going forward to look at what potential lies for using the territorial building.

But that is one of the areas that I am looking forward to in working with the advisory committee going forward, to start to identify what potential does exist for it. I don't have to tell you about the significance, not only of that building, but how it relates to Government House and the entire Dewdney area of Regina. So while I, you know, I won't proclaim to have any specific ideas of my own, it's certainly one that I hope the advisory committee . . . In fact I will be looking towards the advisory committee to develop some ideas, along with Government Services, to better utilize it.

Mr. McCall: — Well I'm really encouraged to hear that, Mr. Minister, and I guess that was the answer I was hoping for or anticipating, and I'm glad to get it. So I'll be watching with great interest to see what better use can be made of this rich, this really, you know . . . To think that once upon a time the whole of the North-West Territories was governed from this half a block in north central Regina. And I know I, as a young kid, found that always kind of awe-inspiring or a bit challenging for the mind. So if there's a better way to make use of that heritage, the better.

One other question I'd ask, Mr. Minister. Do you see the role of the . . . In terms of something like . . . And again, you've referenced the connection down Dewdney to Government House and then beyond that certainly to the Heritage Centre with the RCMP [Royal Canadian Mounted Police]. And certainly I think there's a tremendous case to be made for the Heritage Centre being designated as a national museum.

We see the Museum of Human Rights being designated in Winnipeg which has sort of broken that wariness of the federal government in terms of designating things outside of the National Capital Region as national museums. There's a similar argument to be made around Pier 21. Do you see the Provincial Capital Commission putting its shoulder to the wheel to try and convince the federal government to get that national museum designation for the RCMP Heritage Centre?

This is a pretty important year for the RCMP generally, but Regina is certainly the home of the RCMP and proud of that. And it would seem to me that there's a great case to be made for that being designated as a national museum. Do you see the Provincial Capital Commission putting its shoulder to the wheel in terms of making that a reality?

Hon. Mr. Duncan: — Thank you for the question. I can tell you that, Mr. McCall, that first I'll say that, you know, I think obviously with Government House and now with the RCMP Heritage Centre, with the potential for the territorial building, you know, I think, I think that area is . . . certainly has been a draw for interested historians, amateur or professional or otherwise, and tourists.

And so we have, we as — and I'll speak with my other hat on — Tourism, Parks, Culture and Sport has been actively engaged

in discussions, not only with the centre itself, but also trying to engage the federal government on this issue. We don't, you know, at this time I don't know what the feds are, you know, where they're at on a national museum designation, but you're exactly right with the examples already that have been named. And I believe, I believe Pier 21 has been designated or is slated to be soon, so it's certainly with several examples now outside of the capital city region of national museums. Certainly the RCMP Heritage Centre can make an equally compelling case.

And so you know, Capital Commission, we will be assisting on that, but at this point now it's Tourism, Parks, Culture and Sport's taking the lead on that. And it is a file that we've been fairly active on.

Mr. McCall: — Well certainly it's a — not to speak on behalf of my other opposition colleagues from the city of Regina or across the entire opposition — but I think it's something that now I will speak on their behalf. We're very much in favour of that heritage centre getting its proper recognition nationally. So if there is something that we can do on our part to further that cause, count us in.

I guess the last thing is, I won't ask to have Pasqua Hospital, the place of my birth, incorporated into the heritage considerations of the commission. I'm sure you're thankful for that.

Anyway, with that I think we've come to a close for questions from this side. So I thank the minister and officials for their presence.

The Chair: — Thank you, Mr. McCall. Seeing there's no other questions, is it the wish of the committee to vote on vote 85, the Office of the Provincial Capital Commission?

Some Hon. Members: — Agreed.

The Chair: — Agreement. Central management and service, subvote (PC01) in the amount of \$2,114,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Capital Commission operations, subvote (PC02) in the amount of \$7,177,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. The Office of the Provincial Capital Commission, vote 85 in the amount \$9,291,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Okay. I will now ask a member move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31, 2011, the following sums for the Office of the Provincial Capital Commission in the amount of \$9,291,000.

Mr. Kirsch: — I so move.

The Chair: — Thank you, Mr. Kirsch. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Vote 85 agreed to.]

The Chair: — Mr. Minister, thank you for your informative information that you've laid before the committee. It certainly sparked some interesting discussion as well, so we appreciate that — and your officials. Is there any closing remarks you'd like to make?

Hon. Mr. Duncan: — Just if I could, Mr. Chair, I want to thank the . . . Thank you, Mr. Chair, and members of the committee, for having us this afternoon and accommodating a different schedule. I also want to thank Mr. Mantey and Ms. Lamberti for their support this afternoon and I want to thank members for their questions and just want to state for the record how honoured and privileged I feel to be the minister bringing forward the first estimates for the Office of the Provincial Capital Commission

The Chair: — Well thank you again and thank the committee for the accommodations of the revised agenda. I will entertain a motion to adjourn.

Mr. Brkich: — So moved.

The Chair: — Mr. Brkich. All those in favour?

Some Hon. Members: — Agreed.

The Chair: — This committee now stands adjourned. Thank you.

[The committee adjourned at 17:17.]