



# **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 08:09.]

**The Chair:** — Well good morning. It's about nine minutes after eight. Welcome to the Intergovernmental Affairs and Justice Committee meeting. The committee members are Wayne Elhard, Delbert Kirsch, Greg Brkich — who is absent and sitting in for him is Denis Allchurch — Michael Chisholm and Kim Trew who is the Vice-Chair and Deb Higgins. Also with us this morning is Kevin Yates.

This morning we're dealing with Bills No. 138, 139, and 140 with Justice. Just to make it easier for the officials who are attending, we will consider Bills No. 139, 140, and then 138.

Minister Morgan is with us. If you would like to introduce your officials and have some opening remarks, you can go ahead right now.

**Hon. Mr. Morgan:** — Thank you, Mr. Chair. I'm joined this morning by several officials: Maria Markatos, Crown counsel, legislative services branch; Dave Wild, Chair, Saskatchewan Financial Services Commission; Susan Hetu, executive director, cultural heritage, from the Ministry of Tourism, Parks, Culture and Sport; Carlow Germann, director, heritage resource branch, Ministry of Tourism, Parks, Culture and Sport; and Drew Johnston, director, legislative services, Ministry of Education.

**Bill No. 139 — *The Miscellaneous Statutes  
(Streamlining Government) Amendment Act, 2010***

**Clause 1**

**Hon. Mr. Morgan:** — *The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010* will amend several statutes to eliminate boards, commissions, and foundations that are either no longer operational or whose duties can be transferred to another committee, board or foundation.

The Act will eliminate the Co-operatives Securities Board, the Geographic Names Board, the Saskatchewan Heritage Advisory Board, and the Saskatchewan Heritage Review Board and transfer the powers and duties of these boards to other pre-existing organizations so as to avoid duplication of duties.

The Act will eliminate, in their entirety, the Educational Boundaries Commission and the Farm Support Review Committee as these bodies are no longer operational.

In order to achieve these purposes, the following statutes will be amended: *The Agricultural Safety Net Act, The Credit Union Act, 1998, The Heritage Property Act, The New Generation Co-operatives Act, The Saskatchewan Financial Services Commission Act, and The Education Regulations, 1986*. In addition, *The Geographic Names Board Act and The Saskatchewan Heritage Foundation Act* will be repealed.

Similar amendments regarding bilingual statutes are concurrently being addressed in *The Miscellaneous Statutes (Streamlining Government) Amendment Act 2010 (No. 2)*. Thank you. We are ready to take questions.

**The Chair:** — Thank you, Mr. Minister. I would just ask your officials if they would, when they address the microphone, to just state their name for *Hansard* records. And there are some questions. I recognize Mr. Yates.

**Mr. Yates:** — Thank you very much, Mr. Chair. My first questions has to do with how will these changes better serve the public, and what differences will they see in service to them?

**Hon. Mr. Morgan:** — A lot of the functions that were there were for boards or commissions that no longer function or powers had been transferred by way of having another board or another agency do it. So this would be regarded as the legislative cleanup to an Act of things that probably have already taken place. In the eyes of the public, it will probably be seen as a simplification when they go to look up something or look for something, and in some cases it may be easier to access or deal with a specific agency.

**Mr. Yates:** — Thank you very much, Mr. Minister. Mr. Chair, to the minister, that's exactly how, when going through this piece, we read it. So how is — if most everything has been done, there's really no change — is this called streamlining government?

**Hon. Mr. Morgan:** — I think when you have a number of statutes that call for the appointment of boards or commissions that either aren't needed or are no longer necessary, I think it's appropriate that the legislation be made consistent so that you don't, upon reading a statute or regulation . . . are given the appearance that there is significant function still taking place when in fact the function has been transferred elsewhere.

**Mr. Yates:** — Thank you very much Mr. Minister. Would this be more appropriately categorized as housekeeping and housekeeping amendments to bring legislation in line with current reality?

**Hon. Mr. Morgan:** — Some of them are actually transferring specific functions like the heritage pieces, and there's functions that are being moved. I don't think I would characterize housekeeping as being an unreasonable term for a number of the things that are there, but there are things that are specifically transferred or moved.

[08:15]

**Mr. Yates:** — Thank you very much. How much will the cost savings to the taxpayers be as a result of these changes?

**Hon. Mr. Morgan:** — The cost savings may have already been realized because they were boards and commissions or positions that had not been filled. So in this fiscal year, there will probably not be a great amount of it. But it eliminates the potential for appointing people to a board that is no longer functionally . . . The savings probably have been realized over the last two years.

**Mr. Yates:** — Thank you very much. Those conclude my questions.

**The Chair:** — Are there any other questions from the

committee? Seeing none, Bill No. 139, *The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010*, clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 1 agreed to.]

[Clause 2 to 11 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts the following: Bill No. 139, *The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would ask that a member move that we report Bill No. 139, *The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010* without amendment.

**Mr. Chisholm:** — So moved.

**The Chair:** — Mr. Chisholm. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Thank you very much. That concludes Bill No. 139. Mr. Minister, we would like to proceed to Bill No. 140.

**Bill No. 140 — *The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010 (No. 2)/Loi corrective (rationalisation administrative) n° 2 de 2010***

**Clause 1**

**Hon. Mr. Morgan:** — On this Bill, I am joined once again by Maria Markatos and Dave Wild, and we are also joined by Drew Johnston, director of legislative services with the Ministry of Education.

*The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010 (No. 2)* will amend two bilingual statutes to eliminate the Co-operative Securities Board and the Education Boundaries Commission. The Act will also amend *The Co-operatives Act, 1996* to eliminate the Co-operative Securities Board and transfer the powers of that board to the Saskatchewan Financial Services Commission. The Act will also amend *The Education Act, 1995* to eliminate the Educational Boundaries Commission in its entirety, as the function undertaken by the commission is no longer needed. As with the English Act, this Act will ensure that various bodies are not performing similar tasks that can be performed by a pre-existing entity and that organizations that are no longer needed are eliminated from legislation.

We would be prepared to answer questions at this time.

**The Chair:** — Thank you, Mr. Minister. Do we have questions? Ms. Higgins.

**Ms. Higgins:** — Thank you very much, Mr. Chair. I guess I could have asked these under the previous Bill also, but the changes to *The Education Act* and removing the Boundaries Commission . . . because I think you stated they were no longer needed. The ministry doesn't believe that there are any circumstance that may arise to have a look at boundaries as they currently exist? I mean, the distribution of students changes quite drastically in some areas, and you're not expecting any changes to the education system where this may be needed?

**Mr. Johnston:** — The commission's not had any new cases since 2006. Its term expired in May 2009. There may be circumstances where boundary changes will come up. They haven't been frequent. Since '97 we have averaged maybe zero to two cases a year, and since 2006 none. There may be future cases. We expect that they'll be less likely because the property taxes are pretty well the same set mill rates across school division boundaries. We also expect that . . .

The way the commission functioned in the past, the staff had done all the workup when a case did come forward in terms of preparation on the impact of changing the boundary and the research that went into it. So staff actually performed the research for the commission members who then made a recommendation to the minister. So staff will just perform those functions now when a case does come forward. But we're expecting probably even fewer than we have in the last 10 years.

**Ms. Higgins:** — While the staff may have done the research and worked up the information that was needed, the commission did serve a very important role in going out and meeting with the public. Now I understand that this government doesn't put a high priority on consultations with the public, but the commission played a very important role because taxpayers really need to feel like they've been heard and have an avenue to address changes and proposals that are coming forward in their area.

So while it may not be needed at this time, I am a little bit concerned that the whole possibility of establishing a boundary commission, if there are questions that arise, is taken out of the Act and that it will solely be left up to the minister's discretion because we always have to remember that we're here to serve the taxpayers that elect us. And beyond when you're in government, you have a responsibility to the province as a whole. So I just want to voice my concern that there is a rationale and a good reason to have the commission existing. They may not do the research, but they do serve a purpose and have a great deal of influence on the outcome of any type questions such as this that may arise.

**Hon. Mr. Morgan:** — We appreciate the point. It's taken. The commission made recommendations. It was not a final arbiter. The decision was also to be made by the minister, so what this does, it streamlines or eliminates a step. I think that it will always be incumbent on the minister whenever this process is undertaken and — as our officials have said, will be less likely in the future — that it would be incumbent on the minister to ensure that there's been some form of public input or public

consultation. So we will ensure that we will pass the information to the minister and make sure the officials continue to be aware of it. Appreciate the . . .

**Ms. Higgins:** — Well then I appreciate that, but when you say it streamlines government, what it actually does, the step you're removing is access to the public to have input onto any type of change that may be proposed in boundaries. And that raises a number of concerns.

**Hon. Mr. Morgan:** — Thank you.

**The Chair:** — Are there any other questions or comments from the committee? Seeing none, Bill No. 140, *The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010 (No. 2)* — this is a bilingual Bill — clause 1, short title, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Clause 1 agreed to.]

[Clauses 2 to 4 inclusive agreed to.]

**The Chair:** — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts the following: Bill No. 140, *The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010 (No. 2)*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would ask that a member would move that the Bill No. 140, *The Miscellaneous Statutes (Streamlining Government) Amendment Act, 2010 (No. 2)* without amendment. Is that agreed?

**Mr. Kirsch:** — I so move.

**The Chair:** — Yes, Mr. Kirsch. And that's agreed, thank you very much. That concludes Bill No. 40.

**The Chair:** — We will now consider Bill . . .

**Hon. Mr. Morgan:** — Thank you very much. At this point, virtually all of the officials that I have are leaving, so I'd like to thank them for coming this morning and for their assistance.

**The Chair:** — Yes, we appreciate you coming to assist us on the first two Bills.

**Bill No. 138 — *The Queen's Bench  
Amendment Act, 2010 (No. 2)/Loi n° 2 de 2010  
modifiant la Loi de 1998 sur la Cour du Banc de la Reine***

**Clause 1**

**The Chair:** — We will now precede to Bill No. 138, *The Queen's Bench Amendment Act, 2010 (No. 2)*. This is also a bilingual Bill. Mr. Minister, if you've got any opening remarks and introductions, please do them now.

**Hon. Mr. Morgan:** — Thank you, Mr. Chair. I'm joined by Darcy McGovern, director, legal services branch.

Amendments were introduced last spring to *The Queen's Bench Act, 1998* to make beneficiary designations in tax-free savings account — for TFSA's or tax-free savings, TFSA's — effective. These amendments came into force on May 14th, 2009. The changes responded to the TFSA provisions in the *Income Tax Act, Canada*, that came into force on January 1st, 2009.

The purpose of this Bill is to introduce amendments to *The Queen's Bench Act, 1998* to specify that beneficiary designations are made in accordance with tax-free savings accounts instead of referring to the *Income Tax Act, Canada*.

The provision that was added to *The Queen's Bench Act, 1998* last spring provides that where a holder of a TFSA designates a successor holder beneficiary, the amount in the account can be paid to that person rather than being considered an account of the holder's estate. Without that amendment, the amount in the account would've been distributed according to the will or, if there was no will, the rules of intestacy.

Two financial institutions have taken the position that the Saskatchewan legislation should've been worded differently. Consequently these institutions are not allowing clients to make these beneficiary designations. Although we are confident that our approach is correct, these financial institutions have refused to change their position, and thus their customers are unable to make beneficiary designations in their TFSA's.

The balance of financial institutions in Saskatchewan do allow TFSA holders to make beneficiary designations. They and their legal counsel recognize that the Saskatchewan legislation provides effective authority for those designations. However efforts to persuade the remaining two banks to change their approach have been unsuccessful. It appears that the prudent thing to do for the sake of the customers of those banks in Saskatchewan is to amend our legislation.

We recognize that adjustment amendments have already been made to the TFSA legislation in Nova Scotia and the Yukon, and we are prepared to take this step to ensure that all Saskatchewan customers have this benefit.

This Bill will amend the new provisions of *The Queen's Bench Act, 1998* to substitute wording that all banks and financial institutions will accept as satisfactory. The institutions concerned have reviewed the proposed legislation, and their representatives are satisfied that it responds to their concerns.

The original TFSA provision passed last spring received second and third reading on the same day without going to committee. The opposition recognized that it was for the benefit of purchasers of TFSA's. For the same reason, I thank the opposition for their support for the timely passage of these changes. Thank you. We would be prepared to answer questions at this time.

**The Chair:** — Thank you, Mr. Minister. Are there questions? Ms. Higgins.

**Ms. Higgins:** — Thank you very much, Mr. Chair. Mr.

Minister, I'm very pleased to see these coming through because I have constituents that obviously dealt with the two financial institutions that were being sticklers about this.

**Hon. Mr. Morgan:** — I'm aware that they do. We have received calls from your constituency office, so I'm pleased to see that you're here today.

[08:30]

**Ms. Higgins:** — No, but now my only comment is that we have corresponded with your office a couple of times over the past year — it could be even beyond that the first letter came in — and my only complaint is we have never received a response from your office, so it's very hard to close files or know where files we have in our office are. We've since contacted the constituent who told us that they had received a letter from you or your office laying out the changes that were coming forward, but I just request that a cc to our office would have been appreciated and so we would know where the file is.

**Hon. Mr. Morgan:** — It would allow you close your file. I will pass that on.

**Ms. Higgins:** — Thank you very much. At the same time as the tax-free saving accounts were established, the federal government also established disability savings accounts much more under the radar than what the tax-free savings accounts are. Have you run across any issues with the disability savings accounts like we have with the tax-free, or is it just the tax-free status that is causing problems?

**Mr. McGovern:** — I can't speak with any particular knowledge to that programming. The main issue here of course is the ability to actually legally designate a beneficiary, and that's the change that's required in provincial legislation to pick that up. So I'm not able to speak to that issue any more directly.

**Ms. Higgins:** — Thank you very much. I don't have any more questions, Mr. Chair.

**The Chair:** — Thank you, Ms. Higgins. Are there any other questions or comments to the minister? If not, in consideration of Bill No. 138, *The Queen's Bench Amendment Act, 2010 (No. 2)* — this bilingual Act — in clause 1, short title, is that agreed?

[Clause 1 agreed to.]

[Clauses 2 to 3 inclusive agreed to.]

**The Chair:** — A Bill with three clauses on it, that's very nice.

Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: Bill No. 138, *The Queen's Bench Amendment Act, 2010 (No. 2)*. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. I would ask a member to move that we report Bill No. 138, *The Queen's Bench Amendment Act, 2010 (No. 2)* without amendment.

**Mr. Elhard:** — I so move.

**The Chair:** — Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Thank you, that's carried. That concludes the considerations of Bill 138, 139, and 140. And that's the agenda for this morning. I would ask that we have somebody . . . Oh, I'm sorry, Mr. Minister.

**Hon. Mr. Morgan:** — I would thank Mr. McGovern for being here.

**The Chair:** — Thank you and thank you, Mr. Minister. And thank you, committee members. I would ask for an adjournment of the committee until 7 p.m. this afternoon.

**Mr. Allchurch:** — I so move.

**The Chair:** — Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Thank you.

[The committee adjourned at 08:33.]