



# **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  
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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 19:00.]

**General Revenue Fund**  
**Tourism, Parks, Culture and Sport**  
**Vote 27**

**Subvote (TC01)**

**The Chair:** — Well good evening ladies and gentlemen. Welcome to the committee for the Intergovernmental Affairs and Justice. My name is Warren Michelson. I am the Chair of the committee. Along with me is the other committee members: Wayne Elhard; Delbert Kirsch; Greg Brkich; Michael Chisholm; Kim Trew, the Vice-Chair; and Deb Higgins. And also with us this evening is Danielle Chartier.

We are here to discuss considerations of the main estimates of the Ministry of Tourism, Parks, Culture and youth. So I will welcome Minister Duncan. And, Mr. Duncan, if you want to introduce your officials and have an opening statement, you may proceed.

**Hon. Mr. Duncan:** — Well thank you and good evening, Mr. Chair and members of the committee. I'm pleased to be before the committee this evening and to answer any questions that you have regarding estimates for the Ministry of Tourism, Parks, Culture and Sport.

I'll begin with introducing my officials. To my left is the deputy minister of TPCS [Ministry of Tourism, Parks, Culture and Sport], Wynne Young. Seated behind us are Susan Hetu, the executive director of culture and heritage; Melinda Leibel, director of corporate services; and Twyla MacDougall, the acting president and CEO [chief executive officer] of SCN [Saskatchewan Communications Network]. And seated behind the bar are Scott Langen, the executive director of sport, recreation, and stewardship and Bob McEachern, the manager of business and tourism services for parks service. And we should be having one more official join us, and when he arrives, I will introduce him at that time.

Mr. Chair, this year's budget for the Ministry of Tourism, Parks, Culture and Sport fits within and complements the government's overall budget that is balanced, forward-looking, and responsible. This ministry has taken a close look at how best to deliver services as efficiently as possible. We believe that we've struck the right balance between continuing to provide excellent service to the people of this province and being fiscally responsible.

The Ministry of Tourism, Parks, Culture and Sport will continue its work in creating an enviable quality of life for the people of Saskatchewan. We will do so by building on our vibrant communities, our strong cultural sector, our active parks, and our inclusive sport recreation sector. Saskatchewan's population has grown by more than 30,000 people in the past two years. That is the province's fastest rate of growth in any two-year period since 1929 to 1931.

Our ministry will help build on that momentum and continue to create a Saskatchewan that people want to visit and move to. Speaking of being a place people would like to visit, I would

first like to talk about our tourism budget.

With this year's budget, we are still on track to meet our commitment to double tourism spending, which will result in an additional \$32 million investment over the four-year term of government. I'm also pleased to report that we are maintaining funding to Tourism Saskatchewan at 2009-10 levels.

Our tourism budget in the past couple of years supported the Saskatchewan pavilion at the 2010 Olympic Winter Games in Vancouver, and I believe it was an investment well worth it. We showcased our province on that world stage, and I believe that we did a very good job at it. Mr. Chair, I'm confident that we will have more visitors to Saskatchewan because of our Olympic presence, and our tourism budget this year will continue to encourage visits to our province.

Those who do come to Saskatchewan this summer will have a special opportunity to learn about our rich history. 2010 marks important milestones in Saskatchewan's history. It is the 125th anniversary of the 1885 resistance. It is the 200th anniversary of Fort Carlton. It is the 150th anniversary of the Holy Trinity Church in Stanley Mission. And 2010 has been proclaimed Year of the Métis. Our government believes it is important to recognize these important milestones. And our ministry has committed dollars to 1885-related activities since 2008-2009 and is continuing to do so this year.

Mr. Chair, when those visitors come to Saskatchewan, some of the things that we hope they will get a chance to explore are the province's beautiful parks. We are continuing to make significant infrastructure investments in our provincial parks. In fact in the first three budgets of this government, we've invested \$24.2 million in capital in our provincial parks. This is twice the level of provincial park capital of the preceding three years prior to the change of government. I'm also proud to say that we are well on our way to achieving our goal of adding electrical service to 1,000 more campsites across the provincial park system.

Mr. Chair, we are also well on our way to fulfilling our commitment to regional parks. This government made a commitment to invest \$2.4 million over four years in regional parks, and this year's budget brings us to \$2.1 million.

Mr. Chairman, another aspect of our province that we hope visitors and residents of Saskatchewan get a chance to experience and appreciate is our culture and heritage. We recently announced our new cultural policy, Pride of Saskatchewan. Mr. Chair, this policy creates a strong foundation for our cultural sector and will help us be forward-looking. In fact our recently announced \$250,000 for Prairie Scene, a major multi-disciplinary arts festival planned for Ottawa in spring 2011, fits within the new policy.

Also we will be releasing more details in an upcoming announcement, but I'm pleased to tell you and all the committee members of our new community vitality program which will align with Pride of Saskatchewan. Community vitality will be delivered through the Community Initiatives Fund. We will soon be making a major announcement about this fund which will help to improve community facilities, encourage

community involvement and volunteerism, engage Aboriginal and young people as leaders, and improve access for those who experience barriers.

Mr. Chair, the new Capital Commission announced in this year's budget also fits within the ministry's new cultural policy. You will note this year's budget allocated just over \$10 million for the Provincial Capital Commission. And while members will know that Capital Commission had its own vote and its own budget was before this committee on Friday, I want to mention it here today because I'm excited by how it works and supports pride of Saskatchewan.

Government has brought together Government House, the Territorial Building, Wascana Centre Authority, Conexus Arts Centre, and the Saskatchewan Archives to focus on a range of common goals. And I want to stress to committee members that this is a starting point; an advisory committee will be established to help inform and shape the commission as we go forward. But I am looking forward to seeing how these organizations can work together to best deliver services, and how they can evolve together to promote our provincial heritage. This is another way the government's budget is being forward-looking.

Finally, Mr. Chair, I'd like to direct committee members' attention to the fact that we've been able to maintain funding to our third party organizations such as the Saskatchewan Arts Board, SaskFilm [Saskatchewan Film and Video Development Corporation], our urban parks, among others. Not only that, but sport, culture, and recreation groups that receive funding through Saskatchewan lotteries will also see continued support. We are proud to see our five-year agreement that we've signed last year continue to benefit more than 12,000 community groups and more than 600,000 registered participants.

Mr. Chair, those are some of the details of our ministry's budget this year. It is a budget that continues to improve the quality of life for Saskatchewan residents. It is a budget that encourages visitors to tour our province. It is a budget that highlights our beautiful parks, our diverse arts, culture, and heritage, and our strong sport and recreation sectors. And, Mr. Chairman, it is a budget that is balanced, forward-looking, and responsible.

And if I could, Mr. Chair, on a personal note I would like to add for the record that it has been my privilege and my honour to serve as Minister for Tourism, Parks, Culture and Sport. And with that we would be happy to take any of the committee members' questions.

**The Chair:** — Thank you, Minister Duncan. Are there questions from the committee?

**Ms. Chartier:** — Well where to start? How about with SCN [Saskatchewan Communications Network]? So you've hired a consultant, McNair, to examine bids. How was that contract awarded?

**Hon. Mr. Duncan:** — Mr. Chair, thank you. Thank you for that question. Considering the short timelines that we were dealing with, the McNair contract was entered into without going through the RFP [request for proposals] process but within the appropriate guidelines.

**Ms. Chartier:** — On that note of regarding timelines, why such a tight timeline? What's the rush?

**Hon. Mr. Duncan:** — Well certainly we had made, government had made the decision to wind down our operations of SCN. We, though indicated on budget day, the member would know that we indicated that we would be seeking to see what interest there was from outside organizations and individuals to continue with the operations.

And so that decision was made to enter into an expression of interest period that lasted the last two weeks. And I believe the member would know that on Friday at 2 o'clock of last week was the deadline, and we had 12 proposals come forward. And so then that work now will continue to, the due diligence work will continue on those proposals.

**Ms. Chartier:** — What is the next stage in terms of evaluating these bids? How is that going to work?

**Hon. Mr. Duncan:** — Mr. Chair, to the member, so the consultant has his team in place that will be evaluating all the proposals that come in. There will be an assessment of all those proposals and essentially a first cut would be made. And that would then be shared with the acting president and CEO and the board. And then from there, if we go to the next step, a short list would be put in place.

**Ms. Chartier:** — I'm just curious. I want to go back to McNair, the company that's been chosen to do this. Does this organization have any experience with respect to broadcast assets? I understand organizations like Ernst & Young and KPMG have some experience with respect to broadcast assets. How did you come to hire McNair?

**Hon. Mr. Duncan:** — Mr. Chair, to the member, McNair certainly has expertise in business management; certainly a firm that has high standing in terms of a provincial reputation, has done work for government over many years. The team that is being put together by McNair will not only have individuals from that business that have expertise in business management, but also they will be engaging the work of industry experts. And also the terms of reference does state that they would be in the position to go outside to find specific advice, whether that be CRTC [Canadian Radio-television and Telecommunications Commission], CMF [Canada Media Fund], or wherever else they feel that they need to go.

[19:15]

**Ms. Chartier:** — Just backing up here again. So obviously you've got a pretty tight timeline here, but this is a timeline that you've set. So is it because you said the timeline necessitated skipping the RFP process, but this is your timeline, so is it normal to void the tendering process when awarding a contract?

**Hon. Mr. Duncan:** — Mr. Chair, to the member on the issue of the RFP, certainly within government there are typical guidelines when it comes to contracts and RFPs. We worked within those guidelines and within those rules. This would be, I think fair to say, it would be considered a smaller contract that fit within those guidelines.

**Ms. Chartier:** — Okay, thanks. In terms of the team that McNair is putting together, who's on that team?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. And to the member, the team that will be charged with evaluating the proposals is made up of three individuals from McNair, from the company; two people that have expertise in this particular industry; and one person with a legal background as it pertains to this industry.

**Ms. Chartier:** — Sorry, just to clarify. So there are six people on the committee? Then you said three individuals from the company, two people who have expertise in the industry, and a lawyer?

**Hon. Mr. Duncan:** — Sorry. To the member just to clarify, it's five members plus the assistance of legal counsel.

**Ms. Chartier:** — The two people who have expertise in this industry, have they already been chosen? Are they already on the team?

**Hon. Mr. Duncan:** — Yes, that's correct.

**Ms. Chartier:** — Who are they?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. And to the member, I assume you're wanting specifics, the individuals. Okay. The two people are, the first one is an individual by the name of Bob Hersche who works at SaskTel and has experience I believe with SCN, but also has some expertise on the regulatory side. And the other individual is Ms. MacDougall, the acting president and CEO of SCN.

**Ms. Chartier:** — So there's no one from the film and television industry who have cried sort of the loudest or have been most impacted sitting on this evaluation committee?

**Hon. Mr. Duncan:** — As I indicated before to the member, the terms of reference do state that the team can seek additional advice and expertise from other individuals, and so that is at their discretion.

**Ms. Chartier:** — Does the ministry have some capacity to perhaps direct the committee in that regard?

**Hon. Mr. Duncan:** — I'm certainly confident with the team that has been put in place. At this time I will leave it in their judgment whether or not they want to seek outside support at this time.

**Ms. Chartier:** — In terms of the details that will have to be, will there be . . . So you have an expression of interest. You don't have a request for proposal. So in terms of the types of details that people will be expected to provide, am I correct in looking at this that the short list will be made very soon within the week?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. And to the member, certainly the evaluation team that is being put in place have begun their work. I would say that, while I don't have a specific time frame for when they have to come up with the short list, I would suspect that over this coming week, possibly

into next week, that they will have to obviously come to some recommendations to bring forward.

But I wouldn't put a time frame on it at this point. I mean they certainly have due diligence that needs to be undertaken over the next short time frame to start, I guess, evaluating the proposals in terms of the ones that have, for lack of a better phrase, more merit than others.

**Ms. Chartier:** — Well just in terms of due diligence, with respect to the timeline, or the proposed timeline here, the short list evaluation says it's for May 3rd to 7th with meetings and discussions with the short list beginning on May 10th. Do you think two weeks for a request for proposals . . . no, two weeks for an expression of interest — pardon me, my error — followed by a week of review is sufficient time to deal with a federally regulated entity?

**Hon. Mr. Duncan:** — Well certainly, you know, I would just go back a few days in time when, the Friday morning of the end of the expression of interest, there were reports that certainly people didn't think that that was enough time from budget day when it was announced to last Friday for people to submit expressions of interest and their proposals, and to the point where one organization had asked for, it was either 60- or a 90-day extension because I think they suspected nobody would submit proposals. And yet by 2:00 o'clock on Friday, we had 12 proposals.

So I recognize that the time frames are tight, but there are 12 proposals that will be evaluated. And the evaluation team has begun that work, and I look forward to what they bring forward in the coming weeks.

**Ms. Chartier:** — Just to clarify, I think on Friday you had said in a news release or at some point that not all of those 12 expressions of interest were for SCN in its entirety. So how many of those proposals were not just for SCN bits and pieces?

**Hon. Mr. Duncan:** — Well I won't get into the specific numbers. I can tell the member that the difference for those proposals that were seeking to continue on with broadcast operations as opposed to those that were just looking to purchase some or all of the assets of SCN, I can tell the member it was roughly half.

**Ms. Chartier:** — What are the criteria for choosing the successful proponent?

[19:30]

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member. There were a number of criteria that have been put in place. Certainly the EOI [expression of interest] itself spoke to those criteria. But for the record, the criteria that are being used to evaluate these are — I'll go through the list: is the proposal complete, the financial and management capacity, the maintenance of a broadcast operation or only purchase of the broadcast assets, the Saskatchewan benefit, the innovative solutions, the timelines, conditions, and price.

**Ms. Chartier:** — Thank you. Thank you. This is niggling at me here. I find it hard to believe that in the firestorm that has

ensued with respect to your ministry and this particular file since budget day . . . I'm sure your ministry didn't expect the backlash, or possibly you didn't understand the ramifications that SCN . . . or the role SCN played in the film and television industry. And I still am wondering if the ministry has some capacity to address that by adding someone or some people from the film and television industry, who are directly impacted by this, on the evaluation committee of the proposals.

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member. I appreciate the member's comments. I would say again though that I am sufficiently satisfied with the evaluation team that has been put in place. These are individuals that have experience, business experience, business management. We also have expertise in the two individuals that I've already named that have certainly expertise in this industry on the regulatory side, certainly expertise on SCN itself.

You know, I would say that this is, this is . . . Let me just back up by saying this is something that we are pursuing. We announced it on budget day. I know, you know, obviously the member and I and members of this legislature disagree on the decision. I mean that's why we're here. Certainly we've received feedback from individuals from across the province. I will say it hasn't, it hasn't all been in the member's favour in terms of the argument that she is putting forward. But I would say that we are engaging the industry on a number of different levels.

One is the task force that we've put in place that does have representation on it from the industry itself, from other interested sectors to the film and television industry, but active participants in this industry. And that's going to be, that task force is going to be a body that we're going to rely on going forward that is independent of this decision that we've made around SCN.

But I guess in short, Mr. Chair, and to the member, as to the member's suggestion for putting a member of . . . adding to the evaluation team, I'll say that's for the evaluation team at this point to decide whether or not they need to seek outside advice from the industry themselves. But as far as I'm concerned, this is the team that is going to conduct the due diligence.

**Ms. Chartier:** — With all due respect, this isn't about my opinion around SCN. This is an opportunity to rectify, not necessarily saving SCN, but realizing some of the fallout that will happen for the film and television industry and having an opportunity to rectify that in some fashion.

Anyway, moving on here. Does the government have an opinion as to what type of ownership structure might be best for the future of SCN and the future of the film and television industry here in Saskatchewan?

**Hon. Mr. Duncan:** — Sorry, Mr. Chair. If the member . . . Could you just clarify. Was it the ownership structure of, sorry, of SCN or of . . . I was kind of confused whether you're talking SCN or in general the film and television industry.

**Ms. Chartier:** — Sorry. I'll clarify here — what SCN might look like in terms of the body that can leverage out-of-province dollars for licensing or the Canadian media fund. So have you

considered or pondered what you, in terms of having put this evaluation piece together for these expressions of interest, do you have some sense of what . . . does the ministry have some sense of what you want to see happen that could support the film and television industry?

**Hon. Mr. Duncan:** — I would say to the member that certainly as this process began, not knowing what proposals would come forward through the expression of interest, whether any proposals would come forward or not, you know, certainly it could be any number of options. It could be a private not-for-profit co-op setting. I think it is clear though from the decision of government that the ongoing operations of SCN would not be through and by government.

**Ms. Chartier:** — So this will be a \$5 million savings a year going forward, but last year the SCN budget was \$6.2 million. Can you explain the difference or the reason for that difference?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. To the member, the difference in the numbers is the roughly \$800,000 a year that will be provided to continue with distance education. That was a service that was provided by SCN. It will now in the future be provided by SaskTel, and that will be a cost that Education will assume.

**Ms. Chartier:** — Thank you. So there's \$3.83 million left in the SCN budget or in this year's budget. What is the breakdown of this? What does this \$3.83 million cover?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. To the member: in an approximate way, roughly just over \$1 million is owed to producers for their contractual obligations. The transfer of \$800,000 to Education for the contract with SaskTel, there are some obviously some general operating costs of roughly \$300,000. That'll be largely for the actual winding down of the company and approximately about a million and a half for severance.

**Ms. Chartier:** — So with respect to the winding down of SCN and the consultant . . . I'm going to jump back here. I should have asked this a little bit earlier on I think. What is the cost of the consultant and the cost of dealing with this proposal?

**Hon. Mr. Duncan:** — The contract with the consultant, that would come out of that \$300,000 that is set aside for the operating, the general operating costs. And the contract was right around \$45,000.

**Ms. Chartier:** — I understand that there's been I think one or two complaints filed with the CRTC just with respect to the non-compliance with the licence. Has the CRTC been in contact with the ministry with respect to this?

**Hon. Mr. Duncan:** — I'm aware of one complaint that has been filed with the CRTC. Certainly we have been, the ministry has been in contact with the CRTC. We have been provided notice of that complaint. And there is a process in place by the CRTC to respond to complaints, and we're certainly going to follow that process. We've been clear all along with the CRTC that we are not looking to apply for a licence or reapply for a licence or continue operating a licence with the board in its current form.

We are looking to wind down the operations, and so the complaint is another process that will take place. But I'm satisfied with the discussions that have taken place with the CRTC. They are fully aware of what our intentions are, that we're not looking to continue operating SCN.

**Ms. Chartier:** — So losing the licence or not is not an issue. But are there financial penalties that could come to the Government of Saskatchewan and the people of Saskatchewan if this complaint is found to be valid?

**Hon. Mr. Duncan:** — Well, Mr. Chair, and to the member, I'm certainly comfortable with where we're at right now in this process, including with the CRTC. There were obviously legal advice that was received during the initial part of this process. And whether or not fines would be levied against the Government of Saskatchewan in this matter is, it's a hypothetical speculation that I just can't comment on.

**Ms. Chartier:** — But it is a possibility there . . .

[19:45]

**Hon. Mr. Duncan:** — Like I said, I'm not going to comment on whether or not we're . . . I just won't speculate on whether or not fines would be levied by the CRTC. That's for the CRTC to decide.

**Ms. Chartier:** — I'm not asking you to speculate whether or not they will be levied, but is it a possibility? Does the CRTC have the capacity to levy fines in something like this?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member, I would just say again that I'm certainly comfortable with where we're at in the fact that and the CRTC's knowledge that it is not, it is not our intention to continue with the operations of SCN. It's not the intention of this board or the government operating SCN and purchasing new product under this board structure. This is simply for us to wind down our operations.

There are certainly other aspects to SCN that government needs to continue with — that being the distance education — and it made sense for us to put this new board structure in place for the intent to wind down the operations, transfer other government operations over to other government agencies or Crown corporations as it is in this situation, and to not continue on with broadcasting. But the CRTC has been notified from the beginning that this is the direction that we're going.

**Ms. Chartier:** — Thank you. So I know that you've been meeting now, post-budget, fairly regularly with film and television industry people. Have you had those conversations? Or how does the government expect the Saskatchewan film and television industry to access the Canadian media fund? Does the ministry have any ideas moving forward now that this window has closed?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. And to the member, certainly what I would say to the member is, I think, first of all with the expression of interest and the possibility that we may have somebody that would want to continue on with that CRTC licence, knowing that that's a process and that

would need to be transferred, also the ability of the CMF dollars being transferred to that new entity, so I wouldn't at this point want to say or characterize it as the CMF money is gone. That's, I don't think, the case at this point in time.

Knowing full well that just because we have had interest in the expression of interest process doesn't mean we have a buyer for SCN, and it doesn't mean that it will continue. But at this point we are, the evaluation team is doing their due diligence to see whether or not SCN will continue in some other form or other fashion.

I do want to inform the member that we've put together a task force for the film and television industry. That group has met once already. They're meeting again in the very near future. And so we are working with representatives from SMPIA [Saskatchewan Motion Picture Association], with our partners at SaskFilm, and I can tell the member that one of the ideas around or taking place at those meetings is the whole notion of the Media Fund dollars and what other ways that those dollars can be retained in the province should SCN no longer be operating.

Certainly as a broader comment, the vehicle from which film and television productions are being broadcast across Canada, those are changes that are coming. I think industry leaders have accepted that, and much of this change is being driven by the CMF itself and how dollars . . . and where that process is going in the future.

So I've been informed that those meetings of that task force have been very productive meetings, and I'm looking forward to what comes out of future meetings. I believe they're going to be meeting again this week, I believe, some time — it's either this week or early next week — and I'm looking forward to those ongoing discussions.

**Ms. Chartier:** — I think if given the opportunity, those people would actually discuss that TV isn't dead yet and a transition time would have been a helpful thing to have in place.

With respect to the assets of SCN, how much are you anticipating you'll make on, whether it's the transfer of the licence or the sale of the assets?

**Hon. Mr. Duncan:** — Thank you for the question. And before I answer the member's direct question, I do want to just note that what the evaluation team will look at first is the opportunities on the broadcast side. And so if we come to a point, if the evaluation team comes to a point where they don't feel through their due diligence that there is a feasible, workable bid, that's when they will then move to the asset side.

As for what we believe the government's revenue from the asset sale would be, frankly I don't know. And I don't want to even speculate because, well, prospective, those that put forward expressions of interest, whether or not they identified what they believe the value would be, certainly that would be . . . If there is a successful proponent, we'd have to go into negotiations with them. And so I just, I wouldn't want to put a price on it right now because, frankly, I don't know. And I wouldn't want to publicly speculate on that because a negotiation process would have to take place.

**Ms. Chartier:** — Obviously you don't know what the expected income or revenue would be, pardon me. Would the proceeds go back into the General Revenue Fund or would they be back into the ministry to perhaps be leveraged in the film and television industry?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. To the member, any proceeds that would be coming back to government from the sale of any of the assets of SCN would go into general revenue. And then at that point it would be a decision for government to make regarding that revenue, whether it would go into the industry itself or whether that would just stay in for general . . . the operating accounts for government. But the short answer is it would go into general revenue and then government would have to make that determination later.

**Ms. Chartier:** — Thank you. I think my colleague has some questions regarding SCN. I'll yield the floor to her.

**Ms. Higgins:** — Thank you very much. Thank you very much, Mr. Chair. Mr. Minister, I know your government isn't big on transparency or public consultations, but could you not at least have had some discussions with the board of SCN?

**Hon. Mr. Duncan:** — Mr. Chair, to the member, that's . . . I mean I'll just . . . It's a valid point. I think you're probably referencing — perhaps not — but an article or column that appeared in the *Leader-Post* that in my nearly . . . well it'll be a year at the end of May that I've been Minister of TPCS. So walking back a few months during the budget process when this decision was made, it was probably seven or eight months, give or take, that I was minister. And you're quite right. I never did meet with the board of SCN, other than a few chance encounters with individual board members, but not, certainly not in a formal board setting.

But I would just perhaps disagree with one of your statements on transparency and I think consultation, if it wasn't the word that you used, was perhaps where you were going. I'm not going to say that I didn't, as minister, that I wasn't aware of the arguments of where this would have an impact on the film and television industry. In fact early in this, I believe it was early in this new year, I met with representation from SMPIA whereas they indicated that, from their vantage point, that SCN was an important part of the film and television industry. So that's not to say that I'm not aware of what the industry . . . their point of view on SCN was. It just means that we disagree.

**Ms. Higgins:** — Yipes. Well I think SCN is much more complicated than many people would understand on first blush. And I guess if you don't want to talk to the public or have public discussions with the industry as to possibilities of making changes to SCN, I can't understand how you wouldn't have taken the time to talk at least to the board. I mean, people who have worked in this industry, people who understand how it works. And I'm not sure how you make an informed decision when you've cut off your source of information. It's hard to believe. But anyway, that's the way you've decided to operate. I guess that's it.

So on to another question. When was McNair hired? When was the contract signed?

[20:00]

**Hon. Mr. Duncan:** — To the member, McNair was brought in just in the last few months at the end of the '09-10 budget year just before we got into the '10-11 budget year.

**Ms. Higgins:** — Sorry. What I asked was when the contract was signed. While they're digging out that information . . . I mean it's just a date. That's all we're looking for is the date when the contract was signed with McNair.

Instead of wasting a pile of time, not unless we want to come back another day, we might as well move on a bit. Is it common for the department to, or the ministry to not tender RFPs and contracts? Is this a regular practice?

**Hon. Mr. Duncan:** — Thank you. To the member, we'll endeavour to get the actual, the date for you for when the contract was signed. And I just want to clarify; this isn't a contract between this company and Tourism, Parks, Culture and Sport. It was a contract with SCN and it fell under the guidelines for not tendering in terms of the limit, financial limit.

**Ms. Higgins:** — So is this common practice that these contracts aren't tendered for? Or do you always go by the limit?

**Hon. Mr. Duncan:** — Thank you to the member. Certainly I think I'll look for examples from in the past, but I think certainly there's flexibility when it comes to RFPs and, especially when you're considering the size of the contract, the shorter time frame that is required. But if the question is specifics, I would have to get back to the member. I don't have any at hand.

**Ms. Higgins:** — So the question then is, if McNair was brought in a couple of months ago, I think was your initial comments, obviously this has been in the works for a while. So why was there a shortage of time?

**Hon. Mr. Duncan:** — To the member, I guess I'm not exactly following the question. The decision was made and it was made public at budget on . . . March 24th I believe was budget day. And so I'm not following what you're saying.

**Ms. Higgins:** — When I asked the first question about when the contract with McNair was signed, you made the comment, after discussions with your deputy, that McNair had been brought in a couple months ago. And I said, no that's not the question. The question was when was the contract signed. So if there was no time to tender or maybe just because you were under, I guess that's what I need clarification of. And when was McNair brought in?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. I'll maybe — well I will — I'll apologize for using the words, couple of months. I'm thinking back to budget time which, if it's May now, that was in late March, so we made a decision at . . . Ultimately the budget, as it is normal practice, was signed off by cabinet at finalization. And so we will get the exact date from when the contract was signed, but it was at the time of budget or just before budget when the contract would have been signed. But I'm sorry for the couple of months ago. It was budget time.



**Ms. Higgins:** — That's okay. If you can get me the date it would be fine.

A question: the distance education in the CommunityNet, where are they going?

**Hon. Mr. Duncan:** — That's being transferred to SaskTel.

**Ms. Higgins:** — When will SaskTel be live with that?

**Hon. Mr. Duncan:** — We are looking at, the date that we're looking at would be June 1st, although it may extend into July, just so that we're obviously not as busy a time for the school system and so that's when we can transfer that over probably the most conveniently.

**Ms. Higgins:** — But your initial decision had been to shut everything down on May 1st, right? That was what was announced on budget day.

**Hon. Mr. Duncan:** — No, I believe the . . . The broadcast signal was the May day. Yes.

**Ms. Higgins:** — So SaskTel has the ability to take this over?

**Hon. Mr. Duncan:** — Yes, to the member, SaskTel has the ability to take over that service.

**Ms. Higgins:** — Well obviously this hasn't been in the works for a long time then. Is that what you're telling me? Otherwise would not they be ready to go? Because I'm sure the minister wouldn't jeopardize distance education or CommunityNet when we know how important they are, like right across the province. CommunityNet, I mean — it's an unbelievable asset to the province.

**Hon. Mr. Duncan:** — No, absolutely. And I agree with that, with the statement. But I can tell the member that we want to make sure that that transfer goes as smooth as possible and so those discussions have been under way, and I believe are under way with SaskTel for them to take over that service.

**Ms. Higgins:** — Okay. I'll turn it back to my colleague here.

**Ms. Chartier:** — With respect to the criteria, I just want to clarify something here. I think when you were going over the criteria you missed no. 5, the benefits or spin-offs to the . . . the economic or social benefits or spin-offs the proposed operations plan might have on the provincial film and television industry or the economy of the province, including employment and local production. I'm just wondering if, in terms of when it comes to evaluating, has the team been instructed to weight all these criteria equally or whereabouts . . . Would one say that these criteria are equally weighted?

**Hon. Mr. Duncan:** — Thank you to the member, and I maybe misinterpreted the first part of her statement, but I'll apologize if I missed that one. I don't believe I missed any on the list but . . . I don't believe I did.

Anyways certainly I think when you look at the work that the evaluation team is going to be doing, I think the fact that the first preference or priority will be given to determining whether

or not, I guess, looking at those proposals that speak to continuing on with the broadcaster, I think that speaks to that part of the criteria. And that's, you know, I don't want to . . . It's not to say that . . . How do I best put this? Because we have had proposals come in and the evaluation team is going to be looking at them, they are going to be looking at those that want to continue on with the broadcasting side of SCN before they look at proposals that may want to . . . for people that want to look at purchasing the assets, either whole or all of the assets at SCN.

[20:15]

So I think that speaks to, I think, how that part of the criteria fits in into the evaluation, keeping in mind that, even though we do have proposals that speak to wanting to . . . continuing on with the broadcasting operations, it doesn't mean that that's necessarily going to happen. I mean, it's my hope, but it's not to say that that's going to happen. But that's where the preference is, is before we get to the assets, is to look at the broadcast side.

**Ms. Chartier:** — How will the industry and the general public know what interests are being served with the assessment process? What mechanisms are there to know whose interests are being served in the evaluation of these 12 proposals?

**Hon. Mr. Duncan:** — Sorry, could you just repeat that for me?

**Ms. Chartier:** — How will the industry and the public know whose interests are being served with the assessment process?

**Hon. Mr. Duncan:** — Well it's a very good question. I mean certainly we . . . The expression of interest, that process will guide us and guide the evaluation team. And ultimately when recommendations come out of that, ultimately to me, the fact that they're going to first concentrate on or evaluate those proposals that look first at the broadcasting side, it's not just that, you know, that their mandate is to sell off the assets without seriously considering proposals that speak to continuing on with broadcasting.

I mean ultimately though, whether it's this issue or other issues, you know, the government of the day and the Government of Saskatchewan not only has a responsibility to the industry, but we and I have a responsibility to the people that sent us to this building, and to the taxpayers of Saskatchewan. And so I think all of those things are things that I'm mindful as I try to do my job the best I can.

**Ms. Higgins:** — Mr. Minister, you just went to the Winter Olympics and spent millions and millions of dollars to put on a show for two weeks. Two weeks you went out there and put a show on, but yet for a lousy 3 million bucks you canned SCN which has a huge impact, like right across the province. So maybe you should have taken the time and done the consultations. Maybe you should have spent some time and talked to the board. How on earth can you justify spending that kind of money in two weeks to kill off this organization?

**Hon. Mr. Duncan:** — Mr. Chair, to the member, I don't think I need to tell the member that there are always competing priorities when it comes to government and when it comes to taxpayers' dollars. And certainly I mean if we want to get into

the discussion about Saskatchewan's experience at the Olympics, both in Vancouver, Whistler, and here in the province during that time, we can get into that.

But I think that . . . I would just say that I think my initial statement stands, is that for a . . . I don't know what the member's comment was for, was it, if it was a lousy \$3 million or something like that. I don't know, I don't know how anybody can treat, can characterize in such a flippant way the use of taxpayers' dollars in this province. As I said though before, there are always competing priorities within government. This is a decision that this government has made in the budget, and it's one that has not been an easy . . . I won't sit here and say that this has been an easy decision to make and one that we take lightly, but it is one that, certainly when you look to the operations of SCN, there are some core operations that can take place in another agency of government, that being SaskTel.

And when you look at the, I think, the future of the film and television industry, there are changes that are happening every day in this industry, whether you want to speak to high-definition television and the amount of money that it would've taken for the government owned and operated broadcaster to come up to the new technology. When you look at where the Canada Media Fund is going in terms of . . . and accessing those dollars. So those are discussions that we're going to have. We're going to have those. And those discussions have taken place already with the task force about where the future is for this industry. Thank you.

**Ms. Chartier:** — You said ultimately the evaluators' recommendations will go to you, but is the anticipation . . . What I'm getting at, Ms. Markham is one of the assessors, and I don't know if she's still sitting in her role as acting . . .

**A Member:** — That's Ms. MacDougall.

**Ms. Chartier:** — MacDougall, pardon me. My apologies. Ms. MacDougall is still sitting in her role as acting CEO of SCN while it's still winding down. Is that a conflict of interest or a problem?

**Hon. Mr. Duncan:** — Well, Mr. Chair, to the member, certainly I don't believe that there is a conflict of interest in this matter. Ms. MacDougall has 16 years experience in this field with this broadcaster. And I think to take a proper look at the proposals that come forward, we want to have that type of expertise looking at these proposals and so I'm comfortable with having her on the evaluation team.

**Ms. Chartier:** — Will she be part of the decision making in terms of accepting the recommendations?

**Hon. Mr. Duncan:** — The evaluation team will evaluate the proposals. They will forward a recommendation to the board Chair, to my deputy, who will then make a recommendation to me. And myself and cabinet will ultimately make a decision.

**Ms. Chartier:** — Thank you. Switching gears here just a little bit — time is going pretty fast here. With respect to SaskFilm, do you anticipate any cuts in programming this year?

**Hon. Mr. Duncan:** — To the member, thank you for the

question. SaskFilm's budget has remained the same from the '09-10 budget. At this time I don't . . . They have not informed me that they would have to make any cuts to programming. In fact I think it's safe to say that they've been able to make an enhancement with the agreement that they've struck with the sound stage and the new production that will be beginning filming later this summer in the province in the city of Regina.

**Ms. Chartier:** — Did a budget request come in from SaskFilm, what they were looking at or hoping to have?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. SaskFilm, like our other third party agencies and organizations that we fund, when it comes time to budget, they essentially submit a request to the ministry to be included in our budget. I'm pleased, at a time when the budget of the province is being cut by over 1 per cent, that SaskFilm, we were able to keep their budget whole compared to last year. And that is on top of or keeping with incremental increases in their operating budget over the last couple of years.

**Ms. Chartier:** — How much is left in their reserves that they've been using for their programming?

[20:30]

**Hon. Mr. Duncan:** — Mr. Chair, just to clarify. Was the question what SaskFilm's reserves sit at today, like the balance in the reserves?

**Ms. Chartier:** — In reserves. What remains in the reserves.

**Hon. Mr. Duncan:** — Okay. Mr. Chair, the SaskFilm's year-end ends March 31st, so the most recent numbers that we have available are for March 31st ending 2009, and at that time just over \$106,000. But we don't have their most recent information with us. We'll endeavour to get that for you though.

**Ms. Chartier:** — So you're not concerned that there will be SaskFilm cuts? I believe that SaskFilm has been operating using its reserves.

**Hon. Mr. Duncan:** — Well I wouldn't, I wouldn't say that I'm not concerned. Certainly whether it's SaskFilm or other third-party organizations are in the midst of dealing with a budget that for the most part gave them a zero per cent increase. So I wouldn't want to be characterized as not being concerned by that.

The reality is is that the provincial budget cut government spending overall by 1.2, 1.3 per cent. It's a significant amount of money when you look at a budget that is, roughly speaking, a \$10 billion budget. So to take out over 1 per cent of spending means that reductions had to occur.

While I'm certainly . . . Would I have liked to have seen increases for our third party organizations? Certainly I would have. I'm certainly pleased in this budgetary climate that we didn't have to go to those organizations and reduce their funding.

**Ms. Chartier:** — Is it important to you that the film and

television industry remain competitive with other jurisdictions in Canada?

**Hon. Mr. Duncan:** — Yes, absolutely. It's something that not only as a ministry have we talked about, but certainly in my dealings with individuals in the film industry and their representative organizations. And it's a big part of the work that the task force is doing in their meeting in the middle of April and then with subsequent meetings that will occur in the month of May. One of the things that they will be looking at is not only how to stabilize the industry and bring it back to the heights of production as we once saw in this province, but how to make it even stronger going forward.

**Ms. Chartier:** — Are you aware of what other jurisdictions, say like Manitoba and Nova Scotia, spend on organizations similar to SaskFilm?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. I don't have comparisons directly at hand at this moment in terms of what other provinces are doing. I certainly know just from my work and from the ministry's work in meeting with the industry that there are differences in terms of what is available in Saskatchewan for the industry compared to other provinces. I know that Manitoba has a different film employment tax credit regime and in fact are, if they haven't already done so, are moving towards the all spend at a lower percentage.

That being said, it's really difficult to compare jurisdiction to jurisdiction. It's in many ways an apples to oranges comparison. For example, for the new series that will begin shooting in the city of Regina earlier this summer or midsummer, we know that we were in competition with the province of Manitoba and yet ultimately were successful despite the fact that our, for example, our tax credit is not the same as what Manitoba's is. And I just . . . sorry, I just recalled that it was more a question about SaskFilm's budget in total, so I don't have the comparison with the Manitoba equivalent agency.

**Ms. Chartier:** — That would probably be a good thing to know. It's, from my understanding, about a third. We spend about a third of what Manitoba and Nova Scotia spend for those organizations. So in order to remain competitive, it might be a good idea to think about how they're spending money and how we spend money and make sure you can compare apples to apples.

With respect to the new series incentive that you mentioned with respect to attracting the Saskatchewan company back to Saskatchewan to film this production, who came up with the idea of the new series incentive?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. Certainly the ministry and SaskFilm worked very closely to think of ways to attract this series to the province of Saskatchewan. We knew that we were in competition with others, but namely Manitoba. And ultimately it was through I think some very good collaboration between ministry officials and Susanne Bell and others at SaskFilm that this idea was, I think, agreed upon. And it was brought to my attention and it was one that I certainly endorsed, and SaskFilm then pitched it to the production company.

**Ms. Chartier:** — Okay. Thank you. Can you explain how the new series incentive works?

**Hon. Mr. Duncan:** — The new series incentive initiative, we believe that it will help to enhance our competitiveness. What will happen is that the program will defer the rent to a maximum of \$140,000 for the sound stage for the first year of a series production or a pilot that's being produced, and contingent on the year two of that production remaining in the province and at the sound stage.

**Ms. Chartier:** — Who will cover the lost revenue? Is it SaskFilm or is it the ministry?

**Hon. Mr. Duncan:** — The loss of revenue is covered by the ministry, keeping in mind though that at a time of low productions, we would cover that loss. We would cover the fact that there was little revenue coming in for the sound stage. We would cover that anyways. So this is essentially very similar.

**Ms. Chartier:** — How do you anticipate this incentive helping small Saskatchewan filmmakers?

**Hon. Mr. Duncan:** — Thank you for the question. I think, I mean, I've certainly recognized that this is an incentive that is aimed not so much at smaller scale productions, but at fairly large-size productions such as this one that will be on network television. I think one of the things that . . . Certainly there's a number of positives to this. Not just the fact that we beat out another jurisdiction to have this production come to the province, but this is going to put people to work in the industry. I think that's one of the positives of this.

I think it's pretty clear that there's not a one fix that will fix the entire industry. And so while this is I think directed at one part of the industry, we're looking towards the discussions with the task force of how to address some of the other challenges that the industry is facing.

**Ms. Chartier:** — Any thoughts, any sense on how you might foster the fledgling filmmakers who graduate from our school here or small filmmakers who previously have benefited from being able to get their first licence through SCN?

[20:45]

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. And to the member, just to reiterate what I did say about the previous answer is that this incentive is . . . It's not going to be the one fix, the silver bullet that's going to fix the entire industry. I certainly recognize that. And that's why the task force that has been put in place — close to 20 people around the table, many of them that have direct work in the industry, a good deal of them do, and other partners around the table — one of the things that they are looking at is how far and how much the industry has changed since SCN began broadcasting, how the new changes to the Canada Media Fund are changing the industry.

You mentioned in your question the young producers and the young filmmakers that are looking to get into the industry. Certainly a big part of their development and their experience in the industry and just in day-to-day life revolves around the

digital world and new media. And so those are discussions that are taking place of how that can play a role in this industry.

I think, you know, I think, frankly the changes that have been made going from the Canada Television Fund over to the CMF are driving a lot of that discussion and are driving a lot of the change in the industry. It's still really early in these discussions. The task force has only met once. They're meeting again in the near future. But that's certainly where I think much of the discussion will go is new technology, new media, and what that looks like for the industry going forward in our province.

**Ms. Chartier:** — Changing direction here a little bit. In your introductory comments, you were talking about the Olympics and the numbers of visitors to the pavilion. It was a very successful pavilion. But you talked about, you actually mentioned the Olympic presence should draw people into Saskatchewan or that's the hope. What measure are you hoping to use to evaluate the expensive, the \$4.2 million pavilion?

**Hon. Mr. Duncan:** — Thank you for the question. Well just as an introductory remark, certainly I think by many different measures, Saskatchewan had a very, very good showing during the 2010 Winter Olympics. There's going to be a number of metrics that will be used to gauge the public's feedback from that experience. Certainly Tourism Saskatchewan keeps the annual totals for amount of visitors to the province and visitor dollars that are spent in the province. And so those are obviously numbers that we won't have available until next year.

We know that Tourism Saskatchewan's website and Facebook and Twitter accounts received over 100,000 hits or visits in the days after the Olympics, during the Olympics and after the Olympics. So we certainly drove a lot of traffic to information sites that would have information for people to investigate about the province.

One of the more unique things that we had at the Olympics at our pavilion was in our business centre. We had an area where individuals could have their picture taken in front of a green screen and they could decide which background they wanted to use, an iconic Saskatchewan backdrop. And in order to get access to their picture, they had to go to the pavilion website, enter their email address to get access to that picture, which then gave us their email address for us to contact them with various opportunities. And we had over 10,000 people submit their . . . to that metric. So those are just a few of the things that we've been tracking and Tourism Saskatchewan has been tracking as a follow-up to Saskatchewan's Olympic presence.

**Ms. Chartier:** — No doubt that everyone loves a good party, but whether or not that traffic on the website translates into traffic in Saskatchewan, I didn't have any explanation of how that's tracked. But anyway we'll move on here. So I understand that there is a consultant in place to develop a new plan for Blackstrap Provincial Park. How was that contract awarded?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. To the member, after conducting a request for proposal, TPCS did sign a contract with a consultant to develop a renewal plan for Blackstrap Provincial Park.

**Ms. Chartier:** — How much do you anticipate spending on this

consultant?

**Hon. Mr. Duncan:** — The consultant is being paid approximately \$75,000.

**Ms. Chartier:** — Are there expenses on top of that? That's the contract plus expenses, or what does that 75,000 . . . Is there more over and above the 75,000?

**Hon. Mr. Duncan:** — It would be my understanding is that that would be the contract plus expenses on top of that. For the member's information, there were four bidders on the RFP.

**Ms. Chartier:** — What criteria did you use to choose this particular consultant?

**Hon. Mr. Duncan:** — We'll look for that information, the specifics to the question. I think though the consultant that was chosen is well-known for having worldwide experience when it comes to outdoor recreation planning, in fact they were the firm that created the plan for the athlete's village at Whistler for the Olympic Winter Games. But we'll look for if we have some further information on that.

**Ms. Chartier:** — You mentioned the athlete's village at Whistler. I understand that this particular consultant does have some background in, well ski resorts in general. Is that correct?

**Hon. Mr. Duncan:** — That was my understanding. I want to make sure we confirm that, but it was my understanding that they did not only have the experience at the athlete's village in Whistler, but I believe also at Banff. But we just want to confirm that for sure, so if we could just maybe get a second. If we can't find that, we'll maybe return with an answer at a different point.

**Ms. Chartier:** — I think actually the way his website illustrates that some of his background . . . I'm just curious. Is the government, since choosing someone who's worked on ski hills or in ski resorts, is it the government's plan or hope that you'll be developing a private ski hill?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. I recognize that the consultant that was hired does have some obvious expertise in the area of outdoor winter recreational activities. It's my understanding they also have significant expertise when it comes to summertime outdoor recreational activities in terms of trail development and things of that nature. So we'll get a specific to your question, but I think it's fair to say that they weren't chosen solely for their expertise in skiing.

**Ms. Chartier:** — Although it's hard to miss that the prominent point on his website being that the ski equipment has already been sold. So just to get a timeline here of the process: you announced in the fall that you were selling the ski equipment, and then you were going to engage in a process of seeing what kind of outdoor opportunities there were at Blackstrap. Could you explain that logic to me, why you would get rid of your asset before you finished the consultation on what might be happening at that provincial park?

[21:00]

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. And to the member, I think first of all, I would say that I think the member is well aware of the difficulties in operating the downhill ski portion of Blackstrap over the last number of years, not to mention on top of that the fact that there was a fire out at Blackstrap which destroyed a building that was used in the ski operations.

I think it's fair to say that the infrastructure itself for downhill ski was in quite a state of disrepair and that it was our view that the opportunities at Blackstrap extend beyond the winter months and that we need to do I think a better job. I think government needs to do a better job of identifying those priorities when it comes to year-round recreational activity at Blackstrap.

You know, this is one of the parks, I think — and I think we certainly have a number of parks that have a great potential around the province — but this is one that I think people would identify as being an underutilized provincial park, keeping in mind that it's one of the closest provincial parks to the largest urban setting in Saskatchewan, probably the closest park to a twinned highway in the province. And yet from a summer recreational point of view, I think it only has roughly 52 campsites or something like that.

So there's a number of areas where I think there can be improvements at Blackstrap. And while we wait to see what the consultant does ultimately recommend, I think it was pretty obvious that if there were dollars to be put into Blackstrap that we had other areas that we could look at prior to looking at downhill skiing once again.

**Ms. Chartier:** — Are you arguing that summer and winter activities are mutually exclusive, that you had winter activities there but you need to build your summer activities, so you needed to sell off the winter assets so you can focus on the summer stuff?

**Hon. Mr. Duncan:** — No, that's not what I am arguing. I'm arguing that, or I'm stating that Blackstrap I think needs to be looked at through the lens of being a four-season park in the province. And given the recent history of the ski facilities and the amount of money that it would take to repair some of the infrastructure that was in a state of disrepair, that those were the decisions made around taking I think a more fulsome view of Blackstrap and not looking at it solely from a winter downhill ski provincial park.

**Ms. Chartier:** — But you just got rid of the downhill portion of the park, which gets rid of that opportunity right there.

But just to clarify, are you certain the equipment was in a state of disrepair? I thought the equipment actually was fairly recently purchased.

**Hon. Mr. Duncan:** — Thank you for the question. Certainly the state of the equipment at Blackstrap, there was a range of what that equipment was like. Some of it, the member is correct, there were a couple of pieces that were sold. There were other pieces that were not sold. There is a chairlift that would cost more to actually to repair the chairlift that is in place than to actually replace it with a brand new chairlift. But there

was a range of condition when it came to the assets of the ski facility.

**Ms. Chartier:** — And just to clarify, some of those pieces were newer pieces?

**Hon. Mr. Duncan:** — Yes, that's correct. There were some newer pieces. And like I said, there was and is the chairlift that would cost, when looked at, it would cost more to, it would cost more to repair it than to actually replace it because it was obsolete in terms of the actual chairlift and the parts that would need to be actually created because they're no longer available on the market.

**Ms. Chartier:** — Aside from the chairlift though, I'm just curious how old the newest Blackstrap acquisitions were.

**Hon. Mr. Duncan:** — To the member, the equipment that the member is referring to, the only new piece of equipment is the magic carpet, and that was not sold. The other pieces were largely used equipment that was bought, some of it in recent years by Parks, but that equipment was largely used, refurbished equipment that was purchased.

**Ms. Chartier:** — Thank you. Where is the consultant at with respect to his work right now?

**Hon. Mr. Duncan:** — Mr. Chair, the consultants have gone through a round of consultations with various stakeholders of Blackstrap Provincial Park. They are working towards a final report which I expect the ministry will receive sometime this summer on the future development of Blackstrap.

**Ms. Chartier:** — I just have a few concerns here, and in my written questions one of the written questions was around consultation. And I think there were 45 individuals or organizations — that number may be off — but it was in about that range who were invited by email with respect to consultations. Were these individuals invited or courted to participate in any other manner other than being sent an email to participate in consultations?

**Hon. Mr. Duncan:** — Mr. Chair, there certainly was a round of consultations between the consultant and various stakeholders in relation to Blackstrap Provincial Park. Some of that was conducted through email, but it is my understanding that the consultants were also in the Saskatoon area for a period of time and met face to face with individuals as well.

**Ms. Chartier:** — I knew that the email was an invitation for a one day or a half day consultation because . . . Just to clarify, we're spending \$75,000 plus expenses for someone who consulted for one day and is basically using materials from past work that's been done with respect to Blackstrap? He's currently in the report writing phase right now.

**Hon. Mr. Duncan:** — Mr. Chair, and thank you to the member for the question. The consultants, they would obviously I think build upon work that may have previously been done in terms of seeking public input on the future of Blackstrap. The member is correct, there was dialogue with stakeholders via email. There were face-to-face opportunities.

I think it's fair to say, and I think if the member has looked at this consulting firm's website, that she would recognize that this is, these are one of the, I think, a highly regarded firm when it comes to the development of resort and recreational developments in North America and also internationally. And we paid for their expertise in that; we paid for the work that they have done in drawing up some conceptual plans for Blackstrap. And I'm certainly looking forward to their recommendations later this summer coming back to government.

**Ms. Chartier:** — With all due respect, this government's strong suit has not been consultation on all fronts. I just want to know to whom or with whom did the . . . I want numbers actually. How many individuals or organizations were consulted after the hiring of this consultant? What are we getting for our \$75,000?

[21:15]

**Hon. Mr. Duncan:** — We'll undertake to provide the member with her specific question in terms of the numbers of individuals and groups and organizations that would have been consulted by the consultant.

I would just say to the, I guess, to the member's . . . the end of her statement, we are getting a world-class organization that has vast experience in designing, I think, some of the most attractive and highly regarded recreational property in this country, in the United States, and internationally. And so if we can . . . I think if we can learn from an organization that has that expertise, I think what is already the physical attributes of Blackstrap, I think we can really turn Blackstrap into . . . I think tap into its potential that we aren't seeing currently with that provincial park.

And so that's, like I said in my previous answer, that's why I'm very pleased to get the recommendations and the report from the consultant later this summer. I think we have a golden opportunity to do some special things when it comes to Blackstrap.

**Ms. Chartier:** — I would agree as long as people in Saskatchewan want those things that you're proposing. And that's why the consultation piece is really, really important. I still just have to question one more time the fact that you're assessing the park and what you want to do with the park now and moving into the future after you've sold the assets.

The timeline confounds me a little bit, that you would, before you've had your consultant come in and make recommendations . . . Who knows that he's not going to come in and say Blackstrap will be part of your four season, or the ski hill should be a part of your four season fabulousness of Blackstrap Provincial Park? So I am just a bit in amazement that you would sell off assets that you own before you finish your consultation process, which sounds vaguely familiar.

**Hon. Mr. Duncan:** — Mr. Chair, it seems we began with TPCS estimates, and we're all of a sudden into agriculture. But, Mr. Chair, and to the member, I think that, you know, well certainly I'm not going to prejudge what the consultants would say, I think the recent history has shown that Blackstrap as a downhill

ski destination certainly wasn't a viable option at this time.

So while I'll certainly wait for the consultant's report, I think every indication and the recent history indicated that while Blackstrap will be, I think, a great four-season resort destination type of provincial park, I think there are, I'm hoping there will be other areas to focus on other than downhill skiing which has proven to not be a viable option.

**Ms. Chartier:** — Clearly, Minister Duncan, you weren't a member of the Saskatchewan ski team, and there was in fact a Saskatchewan ski team.

So moving on here, Greenwater Lake Provincial Park, from some of my written questions, we've learned that the cabins at Greenwater were not assessed. Why did you choose not to have an assessment of the cabins at Greenwater?

**Hon. Mr. Duncan:** — Normally when Parks are moving commercial operations and assets from the ownership of government into a lease operator, when it is that type of relationship where it is being sold to the operator who has leased it from government, then an assessment is the course of action taken. In this case, this was not the case. This wasn't being sold to an existing operator. It was being put out to tender. And so it was the decision not to appraise it because the market was going to set the price on it.

**Ms. Chartier:** — With resort property around the province skyrocketing, as all property around the province has . . . sorry. Can you just explain your rationale again for not wanting to assess an asset that you were selling.

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. And to the member, as I said before, in this case when it's being put to public tender, it's the, I think — I'm not sure how else to say it — the market that would set the price. Certainly the potential bidders had the opportunity to look at the cabins and look at the condition of them, and that's essentially how the value is decided, was by the market.

**Ms. Chartier:** — I understand that 39 people were invited to bid on the Greenwater cabins. How was that list compiled? And who was invited to bid?

**Hon. Mr. Duncan:** — Thank you. Thank you, Mr. Chair. The request for proposal was advertised in a number of publications in April of 2009 and also in an advertisement in a magazine in June of 2009. I think if the member's referring to the number of — was it 39? — I believe what she's referring to is the number of people that, after seeing the request for proposal, contacted the ministry to get the information package. And then that's who we sent it out to, was those individuals that requested it based on seeing the tender in advertisement.

**Ms. Chartier:** — Thank you. Which six groups attended the bidders' conference hosted by the ministry in June 2009?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member's question regarding the . . . I believe it was six was the number that she used. We don't have that information right here with us this evening. And we would want to check with Government Services to see if it is the practice and protocol of

identifying those six because normally those . . . we don't believe that that would be public information.

**Ms. Chartier:** — Well you might want to check this too. I'm interested in knowing which four groups ultimately put in a bid.

**Hon. Mr. Duncan:** — Yes. We can't provide that information. Obviously you would know the successful bidder, but the other ones, due to confidentiality clauses, we don't identify those.

**Ms. Chartier:** — Why was Nicor recommended?

**Hon. Mr. Duncan:** — Nicor was recommended because they had, I think, what was judged as the best overall proposal. The sale of these rental cabins was not solely on price. It also included the timeline at which the other criteria would be completed, such as as part of the requests for proposals, the successful proponent would have to build, add ten more rental cabins into the pool of rental cabins at Greenwater. And their proposal was a shorter time frame to complete that, and overall it was judged as being the best of the four proposals submitted.

**Ms. Chartier:** — Thank you. I understand that the bidders were invited to submit proposals for complementary development. What type of development does the government consider to be acceptable in the provincial park?

**Hon. Mr. Duncan:** — Mr. Chair, to the member, I think where we would look on a proposal such as this is whether or not there are other proposals, other proposals or other information within the proposal that would maybe speak to that proponent's ability to provide a number of other services such as food and beverage services or possibly a spa type of, resort type or spa type of activity or business. That's the type of thing I think that we would look at that the member is referring to in the RFP.

[21:30]

**Ms. Chartier:** — Thank you. Need your help here in understanding something. So I've got the request for proposal for Greenwater cabins, and it's about 40 pages long, includes an inventory of the rental cabin assets, and it's clear there's actually some rigour involved for this sale of about \$250,000 or less. But the process took place over a period of a number of months since last spring. So how is it that this amount of rigour was required for the purchase of 23 rental cabins, but you can transfer the assets of a public broadcaster with an expression of interest, which is 11 pages long, in such a short period of time and not nearly as much as detail required?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member for the question. I think there certainly is a difference in the process. When the member refers to the SCN instance and the expression of interest step, that's at a time I think when we frankly aren't sure, weren't sure if there would be any interest, if anybody would come forward with any viable plan to continue on with the operations of a broadcaster.

The expression of interest essentially allows us the opportunity to further discuss a scenario where this could be viable, whereas I think the RFP is a much more . . . I think it's further along the steps in terms of an asset or an operation that is going to be transferred from government to the private sector.

**Ms. Chartier:** — Just to clarify though, isn't your hope or goal that the tentative date for transfer of broadcasting assets is June 30th, so you're quite far along, and that this isn't just an expression of interest. You haven't just asked the people to express interest. These are proposals that you've actually in fact asked for.

**Hon. Mr. Duncan:** — Thank you. Thank you, Mr. Chair, and to the member for her question. It certainly . . . I mean I recognize what the member is saying. There are going to be, there's going to be a lot of work that's going to be done in the instance of SCN, by the evaluation team. That work has already begun.

At the time, the expression of interest, we did pursue that route because, as I said before, we weren't sure if there was going to be any interest, if anybody was going to come forward with a viable opportunity. So this allows us to work through that process to identify on the broadcast side initially whether or not there is proposals that merit further discussion. But the member is right that this is going to be a fairly intense time for that evaluation team and for successful proponents if we get to that step.

**Ms. Chartier:** — Okay, well back to Greenwater. I wish there was an answer that was satisfactory, but alas I've learned in my short time in this place that there's not too many that are satisfactory at all. Anyway Greenwater, so I understand that there's 15 employees or 5 full-time employees who have had their employment affected by the sale of Greenwater. What's happened to them? Were they offered positions elsewhere in the branch?

**Hon. Mr. Duncan:** — I'll have the deputy minister, Wynne Young, respond to that.

**Ms. Young:** — Thank you. There are approximately 15 people who had employment in there. When you call them back, not all of them chose to come back. We have a turnover every year. Of the ones who came back, there were some notices of affected employment given out; we're working through that now. These are all SGEU [Saskatchewan Government and General Employees' Union] employees, and so they have rights and we are working through the system now.

And as you I'm sure know, seniority is important in that and their ability to relocate. There may be work. In fact I think there is some work in Greenwater, and there may be others. For those who have left the employment, I understand that there might be employment with the new owner too. But specifically if you want to have person by person, I would have to bring that back to you, with no names but the allocations per person. But I know we're still working through that because it's sometimes the bumping takes a bit of time to go through.

**Ms. Chartier:** — Does SGIU have successor rights with respect to the new owners? You talked about the new owners possibly being, there being some work.

**Ms. Young:** — The RFP that went out was clear that successor rights could be applied for. And I'm sorry; I don't know whether or not SGEU has moved that way, but it is a possibility because of the way successor rights work. And so RFP, we

made that very clear to any potential bidders.

**Ms. Chartier:** — Thank you. Sticking with parks in general here . . . So we heard last week or the week before the Ministry of Environment has entered into an agreement with Parks services surrounding or around Dutch elm disease. What are the terms of that contract?

**Hon. Mr. Duncan:** — Mr. Chair, to the member. There was an agreement that goes back to 2008. That agreement was renewed in 2009. Essentially the Ministry of Environment is responsible for surveillance and it is up to Parks to remove any trees that are affected by Dutch elm disease.

**Ms. Chartier:** — So you're just responsible for the removal of the trees?

**Hon. Mr. Duncan:** — That's correct.

**Ms. Chartier:** — Just to clarify. Okay, great. Thank you. So funding for regional parks has been cut in half this year. What impact do you anticipate this having on regional park operations?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member for the question. The member is correct. There's been a reduction in the '10-11 budget in terms of the money that the Regional Parks Association does receive. We made a commitment over the four-year term of government that we would provide \$2.4 million to regional parks. With the '10-11 budget allocation of \$515,000, we are at about \$2.1 million of that 2.4 million dollar commitment.

So we're I think very pleased with the progress. We have one more budget cycle to go. I think it's, I won't prejudge next year's budget, but I think it's safe to say that we will achieve the \$2.4 million over four years. And this is money, I think this is an important area when it comes to parks.

[21:45]

Certainly we have responsibility over the provincial parks in the province. And we view the regional parks as a partner in the work that we all do together. This is money that regional parks across the province can access. They apply to the Regional Parks Association and are scored by the association, and it's dollar-for-dollar matching. So the just over \$500,000 in provincial dollars that are going to the regional parks will mean a total investment of over \$1 million because of the matching contributions that they have to put in.

As the member says, it is a reduction. We were at over \$1 million in last year's budget. We're at 515,000 in this year's budget. But I think regional parks and the association will remember that not too many years ago their grant from the provincial government was \$75,000 a year. So it's a significant commitment to the regional parks.

**Ms. Chartier:** — In this budget cycle did you talk to your regional parks partner about the reduction?

**Hon. Mr. Duncan:** — In the work that was done to prepare the 2010-11 budget, certainly as happens in the past, our partners in

the regional parks, there were discussions about the level of funding from last year, and how I think well-received the \$1 million in funding was from the provincial government. Certainly in my first year as minister for the parks, I had the opportunity to tour a number of parks, not just the provincial parks but also regional parks, and one of the things I think in every regional park that I went to last summer, there was certainly a great response to the level of funding to the regional parks.

We did though inform in the discussions with the Regional Parks Association, and in talking with them about what the needs were for regional parks, knowing full well that the success of this type of level of funding means that more regional parks . . . You know if there was more money to give, there would be regional parks to accept it. But in formulating this budget we did make sure that they knew that this was going to be a more difficult budget for the provincial government. And while not, I guess, sharing the details of the budget, due to the confidential nature of cabinet and budget finalization, they were aware that this was going to be, I think they were aware that this was going to be a more difficult budget for everybody.

**Ms. Chartier:** — Thank you. So parks capital in this budget has been cut by more than 40 per cent. What are some of the kinds of projects that will be deferred this year?

**Hon. Mr. Duncan:** — Mr. Chair, certainly there are, when it comes to provincial park capital, there's certainly a number of pressures and needs around the parks system. We have maintained . . . We've made it a priority, as I think the member would know, to add 1,000 more electrified campsites across the system in the four-year term of government and so that's where our priority will be for this upcoming budget year.

There are a number of other smaller — just looking at my notes here — some other opportunities to complete some other areas of priority within the parks system and that builds upon the work that we have done over the last number of years.

The member's correct that the budget has been cut for parks capital by 45 per cent. Last year we spent 11, just under \$11 million in parks capital. I'm not sure if there's another year that could compare to that. And in fact, even with the 45 per cent reduction, with leaving a capital budget in the provincial parks of just over \$6 million, that in fact does exceed the capital budget for the provincial parks in the last budget year of the previous administration.

**Ms. Chartier:** — So just to clarify here, the question was about what kind of things you see being deferred. You said you're still committed this year, you said, to electrifying 1,000?

**Hon. Mr. Duncan:** — We are committed to having 1,000 more electrified sites in the provincial park system over the four-year term of government. So by the 2011 year, we will have that 1,000 electrified sites completed. If the member wants a list of . . . Just looking here at my list here, I could provide a list of the projects that we will do. With this budget, we'd have to do some work to see . . . Obviously we're going to do less projects with less money than we have now, but I'm not sure if we could provide a list of projects that will happen next year.



**Ms. Chartier:** — I don't necessarily need a list of what you can't or can do next year, but just in terms of some sense of what had been on the table for this year that isn't happening now because of the reduction in capital spending.

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member for her question. Certainly with the reduction in the Parks capital budget, it'll mean that there will be projects that will continue on this year aside from the electrification. It just means that when you compare the amount of building maintenance and renovations and equipment purchases that we could do in a year like last year, when we had a nearly \$11 million budget compared to this year, there just won't be those type of expenditures that would be made in this year.

But keeping in mind that our priority for all of these is public safety. If there are areas where in terms of we need to do maintenance or some renovations, we'll make sure that ones that need to get done from a safety perspective are the priority.

**Ms. Chartier:** — Thank you. Changing gears here just a little bit. In some of our offices, we've been contacted by people who are concerned that provincial parks or regional parks aren't used in respectful manners, and I understand that's some of the concerns have been expressed about damage done by ATV [all-terrain vehicle] vehicles at Moose Mountain Provincial Park. I've also been told that sometimes people cut through fences erected by producers who have grazing leases in the park. What action is the government taking to address some of these concerns?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. To the member, certainly this is an area that we have heard quite a great deal about. It's one that, it's one that I know about because for me, Moose Mountain was the provincial park that I spent quite a bit of time at, and Moose Mountain is one of the three provincial parks where limited ATV use is, that is allowed.

Certainly there are . . . It's one that we are looking at right now of how to deal with obviously in the parks that . . . And I can right now, I'll just speak to the parks that ATV use is allowed in a limited sense. Obviously I think more needs to be done in terms of education, in terms of where those ATVs are allowed. There's also an ATV association that is just I think growing as an organization, getting their start. And so we're looking to work with them to find a solution to this. I think the other ones are, just for the record, Moose Mountain, Narrow Hills, and Chitek Lake rec site is the third area under the purview of provincial parks that ATV is allowed in limited use.

I guess the short answer is, I don't have an answer to your question. It's a point that's well taken. It's a concern that has been raised in, not only here in Regina with the ministry and with my office, but also my constituency office because we have a lot of people that spend their times at Moose Mountain Provincial Park. And so it's one that we're looking at as we speak.

**Ms. Chartier:** — Currently do you know what level of enforcement is being provided?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and thank you to the member for the question. Certainly the member is I think

exactly right that this is and should be a serious concern when in many instances you look at the amount of damage to the habitat and to the environment, when you look at in some instances, as I've been told, the damage to private property along with parkland. And given the rise and I think the increasing number of people that are using ATVs, it's something that we are very concerned with. I think there certainly needs, more work needs to be done on this file. I don't think there is a specific answer.

[22:00]

You know, I think a part of it does come with education. We want to make sure that when people are found to be violating the rules that the rules are enforced. Many cases it's just a person is legitimately not aware of where they are able to ride. But it's one that we take serious and are doing some more work on.

**Ms. Chartier:** — I understand too that the government's increased the fees for grazing in the park. What was the amount of the increase, and what kind of consultations were held with the producers before these fee increases were announced?

**Hon. Mr. Duncan:** — We're just going to try to track down the answer for the member.

Mr. Chair, and to the member, we're just, we're looking over the information that we have here. I believe there was a fee change to grazing in the parks last year. Is that the fee change that the member is . . .

**Ms. Chartier:** — That should be it, yes.

**Hon. Mr. Duncan:** — Yes. There was a change that was made, and I think it's . . . We'll have to get more information on this, but I think the local producers that graze within the park land have a — I don't know it personally so I don't want to characterize it as a good working relationship — but certainly the park staff at a particular park are in contact with those individuals. I'll have to take the question under advisement and endeavour to get an answer to the member in terms of when exactly staff would have spoken to those producers that do graze within the parks. I just don't, we don't have the specifics of when last year that would've taken place.

**Ms. Chartier:** — Thank you. Changing gears here a little bit again. So funding's been cut for support for provincial arts and cultural organizations. Which organizations were affected? And which specific activities is the government no longer prepared to support?

**Hon. Mr. Duncan:** — Thank you. Thank you, Mr. Chair, and to the member for the question. I want to first say that funding to provincial arts and culture organizations remain in place whether that be the Saskatchewan Arts Board and their funding. They also deliver the creative industry's growth and sustainability dollars, which are 1.5 million annually. Culture on the Go is an \$800,000 annual program that they deliver.

What the member, I think what she is looking at refers to dollars that, prior to last year, were in under the title of support for provincial arts and culture organizations that was not

allocated and has been reduced. So the money that has been reduced wasn't actually yet allocated to anybody.

**Ms. Chartier:** — So the previous budget estimate was not . . . was over then?

**Hon. Mr. Duncan:** — The previous budget, the estimate compared to what was spent by the year-end, that'd be correct.

**Ms. Chartier:** — Thank you. What kind of . . . Just with respect to the active families benefit, in terms of the reduction between 2009-10 and '10-11, it's been substantially reduced. Why is this?

**Hon. Mr. Duncan:** — In last year's budget estimate, it was \$18 million and that was based on 100 per cent of children between the ages of 6 and 14 in Saskatchewan taking full advantage of the maximum benefit. And the revised total is based on research that the ministry has done that we don't . . . We certainly would encourage all families to take advantage of the benefit, but we don't expect that 100 per cent of the children in the province will utilize 100 per cent of the benefit.

**Ms. Chartier:** — How many families and children do you expect to utilize this then?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. To the member, there was data that was used from a couple of different sources. One was from a CIF [Community Initiatives Fund] study. Another one was from Stats Canada. And so in looking at those two studies, especially in light of the fact that this would be the first year or the beginning years of a new program, we, using the data that was available in those two studies that approximately 63 per cent of the benefit would be utilized. Now there is a commitment made by government that we will honour this benefit so, you know, we fully realize that that number may change. But that's where we came to that number.

**Ms. Chartier:** — Do you have any data on the relative income levels of families who qualify for the active families benefits?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and thank you to the member for the question. Certainly I think the member will know that it's a universal program; it's available to anybody. For those that pay up to that amount and can claim for up to that amount, they will receive it back. I think because it is a new program, certainly in the out years, in future years, we'll have to look to see what the utilization rate of it is and probably at that, in future years, get a better sense of who exactly is taking, making use of that benefit. But for now, it is in place and it's available to anybody in the province that have children that fit the age criteria.

[22:15]

**Ms. Chartier:** — Okay, thank you. With respect to the direct result of our spending at the 2010 Olympics, how much money is being reinvested in athletes here in the province?

**Hon. Mr. Duncan:** — Thank you, thank you, Mr. Chair. To answer the member's question, I think it was, as I think due to or because of the government spending at the Olympics, there certainly is a direct amount of money. Four hundred thousand

dollars was raised for the Legacy Fund. That's going to be directed to four separate initiatives. And as it relates to sport, 25 per cent of that fund will go to KidSport, and there's also two other programs. One is Future Best and Take the Lead. The remainder, the 35 per cent, the larger portion of that will go to a program called Creative Kids, but it doesn't have to do with sports, so I don't think it was related to the question.

On top of that, we were able to put in roughly \$45,000 on top of the \$400,000, and that was based on our food and beverage sales at the pavilion. We had budgeted to break even on food and beverages, and so we were able to return a profit of \$45,000. Further to the member's question though, certainly that's a direct relation to the province being at the Olympics. But certainly there's other programs that continue on, on an ongoing basis, largely through our work with the lotteries and Sask Sport. And I think the member would know that last year we signed a new five-year agreement with Sask Sport that will give them a little more certainty when it comes to funding their partners and the hundreds of thousands of people across the province that benefit from lotteries.

**Ms. Chartier:** — Okay. On that, the heritage side of things, so funding in heritage has been cut. Which services were affected?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. To the member, I think the big difference that the member would notice in the budget for the heritage subvote is the fact that the historic places initiative has now sunsetted. That program has wound down. And that was, I believe that was a federal-provincial program. Last year was the end date on that program, and so its reduction's due mainly — not solely but mainly — due to the fact that that program no longer exists.

**Ms. Chartier:** — Obviously that was federal-provincial program. Are there any thoughts on programming down the road that could take its place?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member for the question. Just to follow up on the previous answer and the member's additional question, certainly many of the . . . I think it's well known that the historic places initiative was a very good program between the federal and provincial governments. That did end at the end of this last fiscal year, but certainly many of the standards and best practices that we learned through this process are now being used by our heritage branch. And certainly the work that was done in fostering heritage conservation and I think a better appreciation of the heritage of this province is something that has a high priority in Pride of Saskatchewan, the new cultural policy that was released.

And I would say, on community, the whole area of community investment in this area, I think, I'm looking forward to having more to say on that in the near future.

Just as a personal comment, the heritage . . . I mean I don't want to do this, you know, I don't want to do this maybe at the expense of other areas of our ministry, but the built heritage and the history of Saskatchewan is something that I have a great interest in. And so it's one that I think, despite what you saw in the reduction and the explanation around the budget is something that I take a great personal interest in.

**Ms. Chartier:** — On that note with respect to that, the heritage branch can make recommendations to other ministries as to the disposition or modification of provincially owned properties with heritage value. How seriously do other branches of government take the heritage recommendations, and does the heritage branch have any ability to enforce their decisions?

**Hon. Mr. Duncan:** — Mr. Chair, Susan Hetu from our ministry will answer the question.

**Ms. Hetu:** — Thanks for the question. Our ministry does work with other ministries around heritage conservation. Certainly *The Heritage Property Act* has provisions within it that request ministers' permission to do any alterations around a heritage property. I guess the other thing is with our new cultural policy, Pride of Saskatchewan, there is a real renewed focus around heritage conservation, and certainly that piece of work was created with the sector. It does focus on heritage conservation both tangible and intangible. And it really speaks to creating an environment of working together. You know government can't conserve our heritage resources by itself. We need to work with the sector and other ministries to achieve that.

**Ms. Chartier:** — Thank you. In light of the time so much, so much, so many questions so little time, but I think my colleague has . . . I have sheets but . . .

**Ms. Higgins:** — I just have one quick question. Community Initiatives Fund is distributed on a formula. What's the formula? . . . [inaudible interjection] . . . It goes into the CIF [Community Initiatives Fund], comes from SGC [Saskatchewan Gaming Corporation] by a formula. What's that formula? Fifty, twenty-five?

**Hon. Mr. Duncan:** — Thank you. Thank you, Mr. Chair, and to the member. Starting in this fiscal year, the CIF will share 25 per cent of the Saskatchewan Gaming Corp net profits with the Clarence Campeau Development Fund on an 80/20 formula split on the first \$10 million and share 50/50 on all the remaining funding within that 25 per cent share.

**Ms. Higgins:** — Okay, so run this by me again. Out of SGC profits, is it 50/25/25 and then an internal split?

**Hon. Mr. Duncan:** — Yes, that's correct.

**Ms. Higgins:** — So it goes 50 to GRF [General Revenue Fund], 25 in First Nations Fund, and 25 to CIF? Is that the way the major breakdown is? Then the 25 per cent is split, 80 per cent . . . What did you say?

**Hon. Mr. Duncan:** — Yes, 80 per cent going to the CIF and 20 per cent going to the Clarence Campeau.

**Ms. Higgins:** — Clarence Campeau.

**Hon. Mr. Duncan:** — On the first 10 million.

**Ms. Higgins:** — Okay just a sec. Okay on the first 10. And then what?

**Hon. Mr. Duncan:** — And then 50/50 on any remaining dollars.

**Ms. Higgins:** — So that explains the reduction in the CIF?

[22:30]

**Hon. Mr. Duncan:** — That's correct.

**Ms. Higgins:** — Did this have to be negotiated? Or was it just put in place by your department or the government?

**Hon. Mr. Duncan:** — Prior to the change in the formula, there was work done between the ministry, the Clarence Campeau Development Fund, and the CIF, and the Ministry of First Nations and Métis Relations.

**Ms. Higgins:** — Okay.

**Hon. Mr. Duncan:** — Just to provide further information, prior to the change, the Clarence Campeau Development Fund, they were locked in at \$2 million. So this is a way to see more funds going over to Clarence Campeau while ensuring that the CIF has funds to continue with their operations.

**Ms. Higgins:** — So then when the minister says that the Clarence Campeau Fund has seen an increase, it actually is coming out of the CIF?

**Hon. Mr. Duncan:** — The CIF will . . . So this is coming out of — and correct me if I'm wrong — it's coming out of the increasing revenue for the CIF, so the CIF programs will remain whole. The surplus for the CIF just won't grow at as great a rate as it used to. So it's protecting the CIF, and it's also allowing for more funds to flow to Clarence Campeau Development Fund.

**Ms. Higgins:** — But gaming revenues have not declined. So in theory the CIF should be increasing, right? If nothing else, you're keeping the CIF stagnant?

**Hon. Mr. Duncan:** — The CIF remains whole. In fact it's growing, just not at as great a rate as it had prior to the change being made.

**Ms. Higgins:** — Yes, but there's less money. You're dropping a million dollars this year.

**Hon. Mr. Duncan:** — I'll have the deputy minister try . . . [inaudible].

**Ms. Young:** — The CIF's current annual spending plan is about \$8 million, and they have over that in the money that's coming in to them now. So over the last several years because gaming profits have been going up, they have kept their spending plan but have been increasing in the surplus that they are retaining. So they have quite a healthy surplus at this point, and also they have the ability to still grow their surplus next year.

We also have the ability to increase their programming spend next year because the difference between their current program and what they're now getting in, even after Clarence Campeau, there is still a gap they can grow in. So it is really a case of Clarence Campeau being able to go up more, but also still room for CIF.

It looks a bit odd that CIF looks like it's going down, but it actually has more money. It's the nature of, it's the nature of how much surplus they've had and what their traditional spending plan has been. So the CIF is whole.

**Ms. Higgins:** — But will they have to utilize any of their reserves to maintain what they've been doing over the last number of years?

**Ms. Young:** — The CIF has an ability to use reserves and also keep a reserve fund. We work with them to ensure they've got a strong reserve fund in the event that gaming profits may change in out years. So they will keep a good reserve fund, an appropriate reserve fund and will be able to use reserves for additional programming.

**Ms. Higgins:** — But the question was, while they may retain an appropriate reserve fund, are they using part of their reserve fund that may be — you may see it as — excessive? Will that have to be used to maintain and keep them whole in the programming that they're used to?

**Ms. Young:** — No. They've got what they need now without reserve.

**Ms. Higgins:** — And why was it felt that this was a good avenue to increase funding to Clarence Campeau? That's more of a minister's question, I think.

**Hon. Mr. Duncan:** — Thank you, Mr. Chair, and to the member's question. First of all let me just offer my thanks to the ministry and to FNMR [First Nations and Métis Relations] and to the CIF and Clarence Campeau for working together to come up with a new formula. This is the way that Clarence Campeau has been funded for a number of years. They are a part of the gaming framework agreement. They are, I think, a well-regarded and proven organization and one that hadn't seen an increase since I believe 2000. And so this was a way to continue their good work and do so with additional dollars and also within the existing agreement or partnership with a change being made and not having to go outside of it to look for other sources of funding for them.

**Ms. Higgins:** — Okay. I'll turn it back to my colleague if she has any other questions, but that's it for me. Thank you very much.

**Ms. Chartier:** — Just one more. Well I have more, but I . . . Just out of curiosity though, one of the line items that actually has gone up is the Saskatchewan snowmobile trail management. Can we explain how that happened?

**Hon. Mr. Duncan:** — That's simply a matter of being a flow through from, based on the registrations of snowmobiles and the fee that they are charged for their registration. The fee did go up from, it went 40 to 70. And so that's just basically flow-through dollars, and we have to put the number what we estimate into the budget. So it's not government dollars and it's not . . . It's essentially from the registrations.

**Ms. Chartier:** — If you'll . . . One more. Sorry. You'd mentioned earlier the community vitality program. So is this replacing the building communities fund? What's happening

here?

**Hon. Mr. Duncan:** — Thank you, Mr. Chair. The community vitality program, which I referred to I think in my opening comments, is a new program that will be beginning in this fiscal year. It's one we haven't actually announced yet, but we're getting very close to making an announcement. And it's going to look at supporting areas regarding accessibility of community facilities, engaging volunteers across the province, engaging Aboriginal and young people in Saskatchewan to become community leaders, and to improve access for people that experience barriers in different areas across the province. So it's not replacing a program, it will be a new program. And we will be announcing it in short order.

**Ms. Chartier:** — Is building communities finished then? It has no further intakes?

**Hon. Mr. Duncan:** — That's correct. And I do want to just say that there isn't a connection between the building communities and community vitality, we're talking about two different things. But the building communities is a closed program and one that was announced several years ago, and so contracts are just being completed over this year and into the next couple of years. I'm not sure exactly when we think we'll have all those contracts paid out, but it's an old program that will be coming to a close once the projects are built. They were infrastructure projects across Saskatchewan.

**Ms. Chartier:** — Where is community vitality? Where would I find it in the budget?

**Hon. Mr. Duncan:** — Mr. Chair, to the member, there isn't a line in the budget. It's a program that we have been developing with great anticipation, and the member will just have to wait. There is money, it's just not, wouldn't be in the budget.

**Ms. Chartier:** — Found under any of the existing . . .

**Hon. Mr. Duncan:** — No, that's correct.

**Ms. Chartier:** — Well I think I don't have any further questions.

**Ms. Higgins:** — Well we do, but I don't think he's going to answer them. Well you know, I have to ask a question on this. You're going to announce a new program. We're in the midst of dealing with what's supposedly the new budget, but that new program doesn't show up in the budget. So it has no dollars attached to it?

**Hon. Mr. Duncan:** — I'm not meaning to be evasive about this. It's a new program that we are announcing very shortly with a partner. It's not General Revenue Fund dollars that are being used, and it relates to a matter that we talked about just recently, just a little bit earlier around the CIF and the surplus.

**Ms. Higgins:** — So it's gaming dollars that are being moved elsewhere?

**Hon. Mr. Duncan:** — Thank you, thank you to the Chair and to the member. It is money that is, it's going to be used for its intended purpose, and it is the dollars that are available through

years of accumulated surplus through the CIF. And we have been working with the CIF to launch new programs to spend the surplus.

[22:45]

**Ms. Higgins:** — So the same process for approvals for CIF projects will be used for your Community Vitality — is that what it's called? — Community Vitality projects?

**Hon. Mr. Duncan:** — Yes.

**Ms. Higgins:** — It will be approved through, I think it's a panel or a board, is it not? At this the . . . [inaudible].

**Hon. Mr. Duncan:** — Yup.

**Ms. Higgins:** — Are you yupping to me or to your deputy?

**Hon. Mr. Duncan:** — Sorry. Sorry.

**Ms. Higgins:** — Yes, well I was hoping you were agreeing with me; that's all.

**Hon. Mr. Duncan:** — It will be. The member is correct. It will be. The funding will be determined as it has in the past when it comes to the CIF dollars.

**Ms. Higgins:** — So CIF and Community Vitality will have projects similar, a little expanded maybe . . . I feel like I'm on *Front Page Challenge* or something here or *Let's Make A Deal, Deal or No Deal*. Oh that's the municipality's line, sorry . . . [inaudible interjection] . . . Yes, am I close? Am I getting warm? I feel like I'm playing a kid's game again. Are we getting warm or cold or . . .

Well I guess it is distressing that if there is a new program that you're soon to announce outside of budget, outside of dollars that are in the minister's portfolio, that it's included in your comments but not included in your budgeting, and there is no clarity within this document as to what the new spend is.

So there is some frustration as to the transparency and accountability that goes with this budget and the document that's tabled before the Assembly currently, and I am sure you understand that. I hope the minister does. So I guess we'll wait and see what the big announcement is. But there is some frustration as to the lack of transparency and accountability.

**Hon. Mr. Duncan:** — Mr. Chair and to the member, I appreciate your comment. While it may not be an item in our budget, we certainly work with the CIF and the good work that they do. It is going to be a new program of the CIF, and I'll take the member's comments for what they are.

**Ms. Higgins:** — Well do you know, I have no problem with the programs that the CIF operates and funds and that are funded through the CIF. Where the frustration gets is that some of these programs and some of the things that are being funded are being peeled off and are somehow falling out of budget. We can get to a number of initiatives. Whether this one, the Community Vitality, shows in this book or doesn't show in this book, or we can talk about the transportation hub which is housed in

Highways, which has fallen off the purview of the Legislative Assembly, initiatives that used to come before the Assembly for questioning and accountability, we're now being told are off limits. We have to deal with them differently.

So it just adds to the frustration that there are becoming more and more programs that are out of the reach or the accountability of the Legislative Assembly. So that's part of it. So now I may be off base on this, but it's just kind of one more thing that we're being told is coming, but not in budget and not within your purview to ask questions on what's being done or what the initiative is or the funding and how it's been divided.

**An Hon. Member:** — That's not fair to say that the global transportation hub . . .

**Ms. Higgins:** — Well it doesn't come before the Assembly. Sask Housing didn't come before the Assembly. The Minister of Social Services said it was off limits; that was to be asked somewhere differently. So it's happening in a number of areas.

**An Hon. Member:** — Yes, but the global transportation hub is . . . [inaudible].

**Ms. Higgins:** — And where is it up for questions?

**The Chair:** — Ms. Chartier, do you have a quick question?

**Ms. Chartier:** — One last question which may lead to more questions . . . [inaudible].

**The Chair:** — One last question.

**Ms. Chartier:** — Just with respect to the Troupe du Jour, I understand they have a capital request in front of the ministry which pertains to matching . . . or dollars that they've had from the municipality and from the feds that they'll lose if they don't get provincial money. They just want to know if that's an item that's somewhere in this budget.

**Hon. Mr. Duncan:** — To the Chair and to the member, in our TPCS budget, the member wouldn't find dollars for Troupe du Jour. But we are working with the Office of the Provincial Secretary. It's certainly a project that is one that we are very interested in, and we are working with OPS [Office of the Provincial Secretary] to pursue if there are options available that the government can pursue. But at this time if you're looking in our specific budget, you wouldn't find it, but we are working with OPS, and it's something that we'd like to see happen.

**Ms. Chartier:** — Are you close to seeing it happen? Their build is under way . . .

**Hon. Mr. Duncan:** — Yes.

**Ms. Chartier:** — And they've tendered and they're well into the project.

**Hon. Mr. Duncan:** — Well we're certainly . . . I don't know if close is the right word, but it's one that we are actively pursuing and working with the Provincial Secretary, Office of the Provincial Secretary. But at this time I mean, it's not in our

budget at this time.

**Ms. Chartier:** — Thank you. I'm getting some prompting. Thank you to everybody. Again as I said, I have more to ask, but I recognize the hour's getting late. And thank you everybody for your assistance and patience.

**The Chair:** — Is it the wish of the committee to vote on vote 27, Tourism, Parks, Culture and Sport?

**Some Hon. Members:** — Yes.

**The Chair:** — The vote on vote 27, Tourism, Parks, Culture and Sport, central management and services, subvote (TC01) in the amount of \$9,067,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Tourism subvote (TC13) in the amount of \$14,097,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Capital City Commission, subvote (TC14), this is for information purposes only. No amount is to be voted.

Parks subvote (TC12) in the amount of \$20,127,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Building communities, subvote (TC11) in the amount of \$13,731,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Culture subvote (TC03) in the amount of \$30,275,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Heritage subvote (TC07) in the amount of \$8,350,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Policy, evaluation, sports and recreation subvote (TC15) in the amount of \$2,857,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Community Initiatives Fund subvote (TC06) in the amount of \$9,427,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Saskatchewan Communications Network subvote (TC08) in the amount of 3,830,000, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried. Amortization of capital assets in the amount of \$2,295,000, this is for information purposes only. No amount is to be voted.

Tourism, Parks, Culture and Sport, vote 27, in the amount of \$111,761,000, I would 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 Tourism, Parks, Culture and Sport in the amount of \$111,761,000.

**Mr. Elhard:** — I so move.

**The Chair:** — Mr. Elhard has moved. Is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Carried.

[Vote 27 agreed to.]

**The Chair:** — Mr. Minister, thank you for your endurance. The day is getting late, and I appreciate your answers and as of your ministry. Would you like to say a few words?

**Hon. Mr. Duncan:** — Thank you. Thank you, Mr. Chair. I want to first thank you and the committee members for your questions. And I do want to thank the ministry staff, those that you see here and those that do their work every day in the offices of Tourism, Parks, Culture and Sport. And I want to extend my thanks to them and of course to the staff that stayed late this evening. So thank you very much, Mr. Chair.

**The Chair:** — Thank you, Mr. Minister, and thank the committee as well. And this committee will now stand adjourned.

[The committee adjourned at 22:57.]