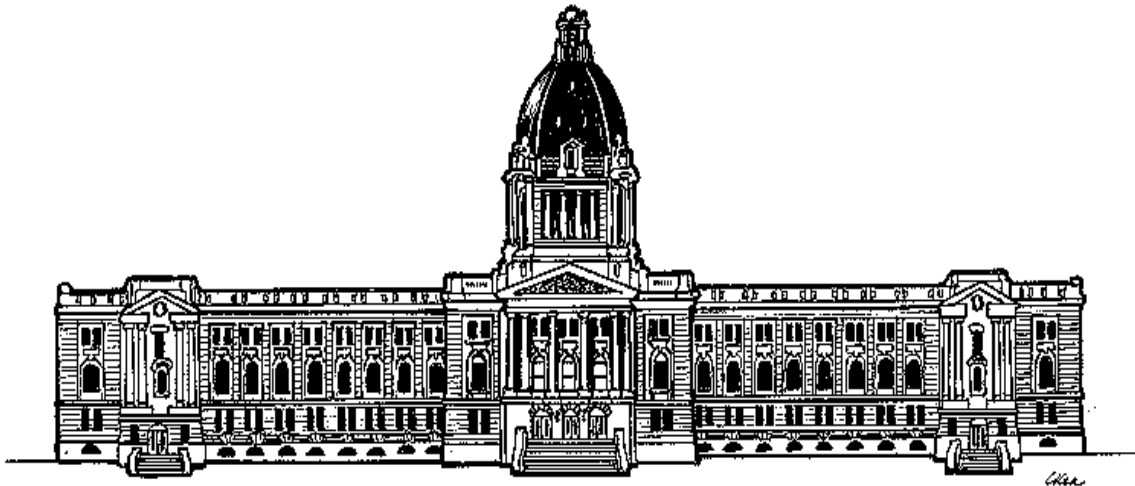




STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND JUSTICE

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**STANDING COMMITTEE ON INTERGOVERNMENTAL
AFFAIRS AND JUSTICE**

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Mr. Frank Quennell, Deputy Chair
Saskatoon Meewasin

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Mr. Michael Chisholm
Cut Knife-Turtleford

Mr. Wayne Elhard
Cypress Hills

Ms. Deb Higgins
Moose Jaw Wakamow

Hon. Laura Ross
Regina Qu'Appelle Valley

[The committee met at 18:59.]

The Chair: — Good evening, ladies and gentlemen. We're here as the committee for the Standing Committee on Intergovernmental Affairs and Justice. We will be discussing two ministries tonight: consider the estimates of the Ministry of Justice and Attorney General and consideration of the estimates of Minister of Municipal Affairs. My name is Warren Michelson. I am the Chair of this committee. Along with me are other committee members, Mr. Brkich, Mr. Elhard, Mr. Chisholm, Mr. Quennell, and Ms. Higgins.

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

Subvote (JU01)

The Chair: — First on our agenda is the consideration of Justice and Attorney General, vote 3, on page 107 in the main Estimates book, as well as the Justice and Attorney General, vote 3, on page 6 of the March Supplementary Estimates book. We'll begin the discussions with central management and services subvote (JU01). Welcome, Minister Morgan, and your officials. Mr. Minister, would you please introduce your officials and if you have opening remarks, we can have them directly after that.

Hon. Mr. Morgan: — Thank you very much. I'm joined this evening by Gerald Tegart, deputy minister, and also at the front table by Dave Tulloch, executive director, corporate services. Seated behind us are Rod Crook, ADM [assistant deputy minister], regulatory services; Ken Acton, ADM, courts and civil justice; Darcy McGovern, director, legislative services; Dale Beck, director, Office of Residential Tenancies; Richard Hischebett, executive director, civil law; Lionel McNabb, director of family justice services; Courtenay Phillips, executive assistant in the deputy minister's office; Betty Ann Pottruff, executive director, policy, planning and evaluation; Jan Turner, executive director, community justice; Linsay Rabyj, director of communications; Lane Wieggers, senior Crown prosecutor, public prosecutions; and also external officials, Judge David Arnot, Chief Commissioner, Human Rights Commission; Rebecca McLellan, manager of operations, Human Rights Commission; Al Snell, chief executive officer, Legal Aid Commission; and Dave Wild, Chair of the Saskatchewan Financial Services.

Good evening. I'm pleased to be here to provide highlights of my ministry's 2011-2012 financial plan and to answer your questions.

The ministry's strategic plan will continue to focus on improving the effectiveness and efficiency of its programs and services. It will ensure we use public funds in a responsible manner for the benefit of the citizens of Saskatchewan.

Our ministry's budget supports Justice programs through an investment of \$163 million in 2011-2012. This is an increase of \$18.5 million and is 12.8 per cent higher than the previous appropriation. Much of this increased funding is for renovations and construction of an addition to the Saskatoon Court of

Queen's Bench. This will eliminate the need to lease additional space for the family law division and to bring it into the courthouse building. The move will increase the security of judiciary, staff, and witnesses. It will have a positive effect on the function, operations, and administrations of the courthouse.

A further \$2 million will be devoted to the continuing development of a new criminal justice information management system. A partnership with Corrections, Public Safety and Policing and the Information Technology Office, this system will provide a single source of data for case management in the criminal justice system. It will replace legacy systems that are incompatible with today's technologies and reduce the risk the ministry faces regarding these antiquated systems. With this change, we and our partners in Corrections, Public Safety and Policing will be better positioned to manage our court system and more effectively track individuals in the system.

We will continue to install video conferencing sites throughout the province. Video conferencing is primarily used to facilitate court appearances, reducing the need to transport prisoners between a correctional facility and court. It allows children and other vulnerable witnesses to testify from outside courtrooms. It reduces the cost of prisoner transport and supports our goal to ensure Saskatchewan is a secure place in which to live, work, and raise a family.

The Saskatchewan Financial Services Commission will continue its work as the regulator and quasi-judicial adjudicator for financial services in the province. Its purview includes the credit union system, insurance, pensions, securities, trust and loans, payday loans, and mortgage brokers. The commission plays a key role in regulating business, protecting the public interest, and ensuring that Saskatchewan has a vibrant financial marketplace. Its work supports the government's goal to sustain economic growth and ensures confidence in the financial system.

The consumer protection branch is scheduled to be transferred to the Saskatchewan Financial Services Commission on October 1st, 2011. This transfer will improve the efficiency and effectiveness of protecting consumers from unlawful and unscrupulous practices in the marketplace. It will allow the consumer protection branch to take advantage of the regulatory expertise and strategic focus of Saskatchewan Financial Services Commission and strengthen the objectives of both organizations.

These synergies will help the ministry support the government's goal to sustain economic growth in this province by protecting investors and consumers. We will continue to work towards government's goal of making Saskatchewan a safe place to live and raise a family.

To support this, we are undertaking a new initiative to address serious violent offenders in the province. Although there are programs in place to handle people under the age of 18, there is no way to target and track adult offenders. The serious violent offender response will track and target the prosecution of persons charged with robbery, repeat or serious assault, and sexual assault who are on the cusp of long-term offender or dangerous offender status. With the addition of nearly \$600,000

in funding and six additional FTEs [full-time equivalent], this initiative is a proactive approach to better protect our communities.

We will continue to work with our partners in other ministries and jurisdictions to develop and improve crime prevention, intervention, and enforcement policies. With the federal government, we will continue to strengthen the criminal law system to deal with serious offenders.

With the provincial partnership committee on missing persons and other jurisdictions, we will improve the response to missing persons cases. With our neighbouring provinces, we'll develop corresponding policies and legislation to reduce organized crime and gangs.

One of our goals is to improve policies, services, supports, and infrastructure to increase public confidence, efficiency, and justice for all people in Saskatchewan. Within the ministry, we will continue to adopt the capacity to effectively enforce restitution orders on behalf of victims of crime. We are looking for opportunities to help our partners reduce the number of adults on remand.

We are establishing a threat assessment unit to support existing security operations within our courts. This will allow for a consistent process for conducting risk assessments of court-related proceedings and those associated with prisoner management and transport.

To ensure all people in Saskatchewan have access to justice, we are providing funding to support those most vulnerable in the justice system. We continue to value our relationship with community-based organizations and to that end we are increasing our support by some \$300,000.

Unfortunately a higher proportion of the people in some of our northern communities are affected by interpersonal violence. Stony Rapids and La Loche, for example, had a violent crime rate of nearly 30,000 reported incidents per 100,000 population. These statistics are even more startling when compared to the Saskatchewan average of 2,500 reported incidents per 100,000 population. There is no transition housing north of La Ronge. The ministry will increase access to sites of safety for northern residents fleeing violence and abuse. We are developing a northern transportation and safety initiative that will provide women and facilities access to government services during an emergency.

Since 1994 we have operated the Aboriginal court worker program. Its purpose is to ensure that Aboriginal youths and adults appearing in criminal court receive fair, just, and culturally sensitive treatment. The ministry shares the cost of this program with the federal government. Currently we provide two-thirds of the funding and the federal government the remaining one-third.

Since 2009 the ministry has been working nationally to enhance federal funding to support an expanded Aboriginal court worker program. Every year we serve more than 14,000 clients and provide services to 76 per cent of court points in Saskatchewan. In 2010 we started a pilot project in Regina that widened the scope of the Aboriginal court workers to include family law

matters. This year we are increasing our funding of the program by \$200,000 to expand this service to other court locations. We will also be working with the federal government to secure matching funds to further develop the program.

We have increased funding for justices of the peace to take on an expanded role in case management and pretrial conferences in civil matters. This will alleviate workload pressures of Provincial Court judges and provide the court with an additional tool to assist in reducing time to trial in criminal matters. In addition we will undertake modernization of the Justice of the Peace program. The current service delivery model is over 50 years old. We must keep pace with service demands and technological advances. Justices of the peace are the front line of the criminal justice process.

To provide better service, a judicial centre in Regina will be established that will provide extended hours of service to receive applications for telewarrants, requests for release and remand hearings and search warrants, offering an alternative in solutions where a local Justice of the Peace is unavailable.

The Saskatchewan Legal Aid Commission provides legal services to eligible clients through a staff-based delivery system. However sometimes it is not possible for a staffer to handle a case and a private lawyer is appointed. In 2009-2010 nearly 1,300 of the 21,000 cases handled by Legal Aid were referred to a private bar lawyer. In the past decade we have witnessed a 45 per cent decrease in the number of private bar lawyers willing to accept a legal aid case. Clients require the skills these lawyers provide and we must be able to attract their services. The Legal Aid Commission will move to provide a nominal increase to the tariff of fees paid to the private bar following consultations with the Saskatchewan Law Society.

To further improve access to services and supports for victims of crime, we will continue to manage the Victims Fund which supports 47 programs in 37 agencies. This will improve crisis intervention, financial compensation, support through the criminal justice process, and public education.

We are working to support adults and children in vulnerable circumstances. We are implementing amendments to *The Adult Guardianship and Co-decision-making Act* to strengthen the protection of adults who are incapable of managing their affairs. In partnership with other ministries, we are reviewing and improving the delivery of family law services and child welfare.

Our maintenance enforcement office collected more than \$35 million in 2010-2011 and has a collection rate of more than 92 per cent. This is the second highest collection rate in the country. We are moving to implement the new maintenance enforcement system. This will improve service to clients by allowing a web-based access to payments and enforcement information.

We have witnessed continuing success in the collection of unpaid fines. In 2008 we implemented the use of the Canada Revenue Agency property seizures and wage garnishments to collect more than \$3.7 million in fines that had been outstanding for over five years. Because of this success, we will not require a large bad debt expense to offset our uncollectible fines this year. We will be reducing our bad debt expense by \$1

million. We are hopeful that our success in collection can make this a permanent reduction.

The Saskatchewan Human Rights Commission plays a valuable role in protecting individual dignity and ensuring equal rights. The commission has recently set out a new cabinet-approved strategic direction called the four pillars, which will enhance the service the commission provides to the citizens of the province. The four pillars are designed to increase the effectiveness of complaint processing, make better use of mediation to assist parties to a complaint move towards settlement, provide greater opportunity to remedy systemic discrimination for large numbers of people, and to ensure enhanced citizenship education in our province's schools.

The citizenship education piece is particularly exciting, and the government has provided new funding of \$100,000 to the commission's base budget from our ministry. A further \$100,000 has been provided from the Ministry of Education for enhancements to the kindergarten to grade 12 curriculum. Once implemented, this will ensure our citizens, our children will understand the rights of every citizen and the duty to respect the rights of others. Along with the other three pillars just mentioned, we believe that this plan will move the Saskatchewan Human Rights Commission to the forefront of the human rights agencies in Canada. This new model will set a new course for human rights commissions across the country as they evolve in a modern context.

This budget and ministry plan will enable us to continue working collaboratively with other ministries, other levels of government, policing services, the judiciary, community-based organizations, and the people of Saskatchewan to achieve our shared objectives. We are also taking steps to ensure that adequate funding is directed to our core programming to improve the effectiveness of the ministry.

Those are the highlights, and now I'd be pleased to answer your questions about the 2011-2012 plan and budget for the Ministry of Justice and Attorney General.

The Chair: — Thank you, Mr. Minister, and welcome to your assistants. I would ask that any of the officials would identify themselves if they are answering questions. We'll open the floor to questions. Mr. Quennell.

Mr. Quennell: — Thank you, Mr. Chair. As usual Justice, I think, wins the prize for having the most officials at estimates but may be missing somebody from constitutional law. But I'm going to try this question anyways.

Hon. Mr. Morgan: — Mr. Tegart indicates that he's more than competent to answer the questions. We have somebody that's away right now that would ordinarily be here.

Mr. Quennell: — Yes. I'm not being critical of the absence. And Mr. Tegart gave me a more qualified view of his abilities before the committee started . . . [inaudible interjection] . . . No, no, no, I'm not being critical of that. And if the officials here could do the best that they can with the question, and maybe it's easily dealt with.

[19:15]

The question comes out of the police community. And the issue was raised with me, and I said I would bring it here. And it does have financial overtones, maybe more on the revenue side actually than on the expenditure side, that there is a disconnect, as there often is, between the law and social developments over time.

And the area that was raised with me by a police officer was the issue of punishment for simple possession of cannabis and marijuana and how that is often a fine, certainly for a first offence, and whether it would not be appropriate and simpler to have as an alternative, not as a replacement for the federal law . . . And I appreciate that we don't have the jurisdiction to affect the narcotics control Act out of this Assembly.

But wouldn't it be an option for judges to have a regulatory or a summary offence at the provincial level that would give the police also a different tool, as opposed to a narcotics control charge, to have a summary offence or regulatory charge. It might be cost-effective for the courts, you know, perhaps a revenue source for the province if it brings it under the ambit of estimates. But the reason I was not concerned but noting the absence of a constitutional law expert is that I think it does have constitutional ramifications, whether the sense is that the federal government has completely occupied the field and the province couldn't do something like that or if that's a case where the province could do something in tandem with the federal legislation.

Hon. Mr. Morgan: — I don't know whether the . . . I'm not able to speak to the constitutionality of it. But from a policy point of view, this government has taken the view that marijuana is a gateway drug to more serious drugs and to more serious criminal activity, and we would not want to see steps taken that would minimize or reduce penalties or reduce the criminal liability for possession of marijuana.

Mr. Quennell: — And I don't want to have a debate about the policy, and I understand the minister's view. I don't necessarily entirely agree with it, but I do understand it. But if the practical effect, the outcome from charges is usually a fine, are we wasting police time and court time dealing with a matter that could be dealt with as expeditiously and with the same result?

And I'm not suggesting it be decriminalized. As a matter of fact, I'm suggesting the creation of an offence. And I still query, and perhaps one of the officials could attempt an answer to this question as to whether there's a constitutional barrier to attempting . . . If the government changed its policy viewpoint, would there still be a constitutional barrier?

Hon. Mr. Morgan: — I'll see if one of the officials . . . We've taken the position that we don't want to do anything that reduces the criminality of possession of marijuana, so for that reason we haven't looked at the constitutionality. For more serious drug issues, we have the drug treatment court as you're aware, and we take steps to try and ensure that people that have an issue with drugs, that we see to it that appropriate referrals are made.

So the direction that we try and go is by way of a treatment issue where it's appropriate. But we haven't done anything, and nor are we likely to want to do anything that would minimize

the liability or the accountability of the offender. But I'll certainly see if one of my officials is able to answer anything with regard to the constitutionality.

Mr. Tegart: — It's a good question, and I don't think it's an easily answered question. I don't think we're inclined to offer an opinion in these circumstances without an opportunity to consider it in more detail.

Mr. Quennell: — I'll move on. Would it be fair to say that it's not obvious that there is a constitutional barrier?

Mr. Tegart: — Sure, I think that would be fair, yes.

Mr. Quennell: — And it is an interesting question, but it didn't originate with me. It actually originated with a police officer. And I hadn't thought about it myself, and I appreciate the government's policy position. But if there was a simple constitutional answer that would also shut down the discussion, but it appears that there is not.

Now moving on to courts because I want to have a discussion about the Court of Queen's Bench housed in Saskatoon. And as the minister will know, I'm always pleased to see further progress on the removal of family court from its current premises and into more secure premises. There's a couple, maybe three, options at the Court of Queen's Bench in Saskatoon, I think, and I don't know if planning has gone so far as to choose one. One would be going up. I don't know how easy an option that actually is with the building that's there now. One would be going, I guess, north towards the Bessborough, and I think that would be 21st Street into that property. And another would be going south into what's now a parking lot and perhaps up. Has an option been chosen?

Hon. Mr. Morgan: — Yes, it has been . . . Two years ago money was set aside and plans were drawn. And the intention would be to go to the south or south and west in where the parking lot exists. There would be a level of underground parking included, and then it would expand upward. There would be a new entrance that would be right at ground level for Spadina. The existing entrance would not be used any more.

Mr. Quennell: — The existing front door entrance that none of us ever used anyways?

Hon. Mr. Morgan: — Correct.

Mr. Quennell: — Yes.

Hon. Mr. Morgan: — And then there'd sort of be a ground level where you would come in, and it would make it easier for people needing accessibility. So there's a model that's around, and we could certainly, if you're interested, provide a set of drawings.

Mr. Quennell: — I would be interested actually.

Hon. Mr. Morgan: — Sure.

Mr. Quennell: — So the courts capital that's on page 110 of my Estimates book of almost \$18 million, how much of that is for work on the courthouse in Saskatoon?

Hon. Mr. Morgan: — The courthouse I think will get spread across three years — 13.8 this year and the balance should be in next year. So it would have a completion date in '12.

Mr. Quennell: — So 13.8 of the 17.8 is for Court of Queen's Bench. The other \$4 million?

Mr. Acton: — Ken Acton, courts and civil justice. There is \$2 million as the ministry's share of a three-way partnership on a new criminal justice information management system, 3 million to continue the expansion of video conferencing throughout the province, \$250,000 for ongoing minor tenant improvements around the various circuit points that we have, and 1.5 million to complete the replacement of the maintenance enforcement system. That's a three-year program, and this will be the last year on the maintenance enforcement one.

Mr. Quennell: — The criminal management justice system came up in three sets of estimates that I'm the critic for: Corrections, ITO [Information Technology Office], and Justice. Actually nobody . . .

Hon. Mr. Morgan: — We knew you had a keen interest, so we wanted to see to it that it was in every one that you were dealing with.

Mr. Quennell: — Well and it's a good thing because the Minister for Information Technology Office and his officials really aren't too sure about what it's all about except for what it costs. And other than that, they weren't very helpful on what it does. So maybe if we could have a brief description here, it might save the Corrections minister some . . . And so might you?

Hon. Mr. Morgan: — Glad to.

Mr. Acton: — There's really four systems that we use at the present time to operate the criminal justice system: the JAIN [Justice automated information network] system that's in courts that you'd be familiar with, and an accounting package on the PC [Provincial Court] PIC [personal identification code] side that handles all the traffic fines, that side of it. And then CPSP [Corrections, Public Safety and Policing] also has two programs, one for managing youth, young offenders, and one for adult. This project will bring them all together so really with the concept of one offender, one file. And then we can control access to that based on your need to have that information or share that information. But it'll allow for . . . In modern technology, we'll all be working from the same information. So when an individual leaves a correctional facility to make a court appearance, we'll have a window-based system where we can pull it up and we'll actually know that if there's other charges pending or there's another court appearance, it'll all be live data and it'll be current.

At the moment we have with those four systems, we have I believe 17 different interfaces to try to exchange information on any given day to keep all the different systems current, and it's a challenge. So that's the short version of what this will do. It'll take those four main programs, build them together, put them in a new, modern technology that we can then use to stay current.

Mr. Quennell: — What's the delivery date on that?

Mr. Acton: — We should be done . . . Well we should have version 1 implemented in 2013.

Hon. Mr. Morgan: — Mr. Tegart has indicated that we could probably provide you with a written document that would provide a bit more background on it. I made the offer that . . .

Mr. Quennell: — That will be fine. Now in no particular order . . . I may come back to courts. I expect I will. But well this is actually not unrelated. The minister in his opening remarks commented on the video conferencing and saving money on prisoner transfers, but part of what caught my interest was his comment about children testifying from outside the courtroom. Now I assume that the federal legislation on the testimony of children permits them to be . . . I know it permits them to be outside the courtroom, but I wondered if this anticipates them being outside the courthouse.

Hon. Mr. Morgan: — The rooms that they testify from are usually within the courthouse. They would be in a room adjacent to the courtroom. And the rooms would be equipped with a couch or soft playthings, a carpeted room that would have a higher comfort level.

As far as being outside the courtroom, I don't know whether any of them are. I don't know whether I have an official that . . . It would appear that it would always be done from within the courthouse.

Mr. Quennell: — As far as anyone here knows, it's always in the courthouse.

Hon. Mr. Morgan: — Yes. And I think I've toured them all so I think they're . . .

Mr. Quennell: — Now the program that the minister referred to — and I'm to a certain extent trying to go through the order that was in the remarks and not hop around too much — to track offenders on, I think that the term was on the cusp of being long-term offenders or dangerous offenders, I assume that's a national program. And the one that comes immediately to mind I think the minister would understand because I was minister at the time, is Peter Whitmore, who probably wasn't being tracked by anybody when he came from Manitoba into Saskatchewan.

Hon. Mr. Morgan: — There's more to it. We are joined by Lane Wiegiers.

Mr. Wiegiers: — Yes. With respect to the serious violent offender response, obviously the determination as to who becomes flagged as a serious violent offender will vary not just with regard to the person's record but also with regard to their personal circumstances. So it is quite, I envision it as quite a flexible category that will catch people. Let me put it this way: there won't be a rigid standard applied — a certain number of convictions leads one to be flagged and so on.

[19:30]

Mr. Quennell: — And in the case of Peter Whitmore, relying on convictions only would not have resulted in him being flagged and didn't result in him being flagged. But again, I

assume that this is a national program because I mean people travel across the country and across borders, and if it's not a national program, if there isn't co-operation between provinces or some coordination at the federal level, I wonder about the value of the program.

Mr. Wiegiers: — It's not, the SVOR [serious violent offender response] program is not a national program. It's a program that we're initiating here. The national flagging system of course is a federal program, and that catches individuals who are likely to face dangerous offender or long-term offender proceedings with their next conviction.

Mr. Quennell: — I'm sure the minister wouldn't have a problem with the suggestion that if it has value or shows any value in Saskatchewan, that it would show a lot more value if it was implemented elsewhere and coordinated across the country.

Hon. Mr. Morgan: — I think with a lot of programs, if there's good interprovincial co-operation, the results increase exponentially. But in this case we knew that we had a lot of problems with serious or violent offenders in our province, and we wanted to take a proactive approach. We've discussed it with some of the other provinces, and to the extent that we can reciprocate, share information, or deal with accused as they move across the country, certainly would want to do that. What you're suggesting is certainly the direction that we're going.

Mr. Quennell: — And I didn't mean to suggest that we would wait for an national program before we did anything provincially, but obviously given mobility, it's far more valuable if we don't lose track of people just because they cross a border or don't have track of people because they come in from somewhere else.

And again Peter Whitmore wasn't our problem until he was our problem, and this program wouldn't have helped very much by itself. But that's not to be critical of the program but just to point out that when someone comes into Saskatchewan, then we're relying on the national flagging system or whatever is in place across the country, and what we do here locally isn't of much assistance. Unless the minister has a further response to that, I'll move on.

The minister referred to improving the missing person response and referred to our partners and maybe even the federal government, but I didn't catch exactly how we're improving the response.

Ms. Pottruff: — Betty Ann Pottruff, executive director of policy, planning. We just finished holding a conference that was funded by federal Justice, a Western regional conference on supporting families of missing persons. And we invited approximately 60 participants from Alberta, BC [British Columbia], Saskatchewan, Manitoba, and Northwest Territories and the Yukon because those were the areas where we see the most traffic, transportation involving the families.

And through that we've developed a virtual network of contacts of government, police, non-profit organizations that work with missing persons, First Nations, Aboriginal organizations, etc. And we've developed a template for moving forward in terms of developing a Western Canadian response to this issue. And

so we will be continuing to work on that and hopefully continuing to work with federal funding to perhaps move even further into a national response. So that's one level we're working on.

We're also continuing to work at trying to meet with the families of missing persons and develop responses they need, and continue to provide information and try to develop the services with our partners. For example with the provincial partnership committee on missing persons, we are supporting activities through Child Find. We're supporting activities with the federal government and some of our First Nations and other Aboriginal community organizations to try to make sure that we continue to build on the response we have so far.

Mr. Quennell: — Okay. So nothing particularly new.

Ms. Pottruff: — Well I think where we have gone is that there have been a lot of developments on things that we knew had to happen. The next stage is to really develop the collaborative network and to improve on our services, dealing with best practices that we learned from the other jurisdictions as well as our own cases. So it's really starting the dialogue to try to move now to the next stage. We consulted with families in 2009, and they told us that while they were very pleased with what had happened within the jurisdiction, they wanted to see more happening across the jurisdictions to actually improve the response in all jurisdictions.

Mr. Quennell: — So nationally?

Ms. Pottruff: — Well at least regionally, and nationally would be preferable.

Mr. Quennell: — The minister referred to steps to attempt to reduce adults on remand. Now I'm aware of, of course, the federal government's moves to eliminate what was called two for one. I know there's some skepticism about how much effect that will have, if any, on reducing remand. What is the provincial government doing in addition to that?

Hon. Mr. Morgan: — I think that's probably a question better put to Corrections, Public Safety and Policing with regard to the need for remand facilities. It's probably too soon to tell the effect of the elimination of two for one on numbers of prisoners that are in remand.

I think the purpose of the federal government — and I don't want to speak for the federal government — but was to maintain the integrity of a person that was going to be incarcerated, that a portion of their sentence wouldn't unnecessarily be reduced or eliminated by the two-for-one practice on remand. And there were certainly arguments put forward that it would increase the strain on remand because people would, you know, would do this or do that. And the other argument was it would do exactly the opposite, that people realized they weren't going to be getting the time, the double credit, that they would plead out earlier and want to get serving time in a place other than a remand facility.

So I think it's too soon to accurately predict the outcome. And I think you can pick your province and pick the official and you can get a variety of different responses. And I don't mean that

in a critical sense; I think it's one of the things that we don't know.

Mr. Quennell: — Yes. And the only reason I raise it in these estimates is because the minister did, talked about . . . I mean I'm willing to go back to remaining estimate time in Corrections and ask the question there. But the minister raised in his remarks steps being implemented by Saskatchewan Justice, not Corrections, I thought, to reduce adults on remand. So I wonder what the provincial response is to that.

Hon. Mr. Morgan: — The intention would be that we would use the new computer system, which would eliminate . . . or better track prisoners as they go through the system, and then we would be better able to ensure that there wasn't an accidental release or that the person was able to deal with all of their matters that were before a court.

Mr. Quennell: — Okay. So back to the criminal management justice system then?

Hon. Mr. Morgan: — Yes.

Mr. Quennell: — That would be the entirety of the provincial Justice response to the remand issue?

Hon. Mr. Morgan: — I'm going to let Ms. Pottruff answer the question for some details. The changes to the federal legislation are new so it's difficult to assess the changes that are going to be there. We know that we are working by way of monitoring how long people are on remand, what the court . . . the changes are in the number of appearances, etc. We're looking at a variety of different things to ensure that we're following best practice, but I'll let . . .

Ms. Pottruff: — We certainly, as you indicated, it took a period of time obviously for the C-25 impact to start flowing through the system. So our plan is, with CPSP, to in fact evaluate the impact on the courts and in Corrections. And so we are developing that analysis now, but we clearly don't have it because it takes, you know, approximately a year is our estimate before we could really see the full impact of C-25. But it's intended to actually take a look at that and see what the changes have been and where that might lead us in terms of further changes.

Mr. Quennell: — So it's an evaluation and analysis?

Ms. Pottruff: — Yes, at this point. We're also, CPSP, the question can be directed there because they may be looking . . . I believe they are looking at some of their programs like the bail verification program, those sorts of things.

Mr. Quennell: — I take it from the comments that no impact's been noted yet?

Ms. Pottruff: — Impacts have been noted, but to identify the exact starting point of those impacts or whether those impacts are related to C-25 or other things is what the analysis would need to note. There does appear to have been some drop in remand, some increase in sentenced prisoners. Whether that's attributable to C-25, we do not yet know.

Mr. Quennell: — The minister noted in his opening remarks that there is no transition house in the North, and this is an area where the Ministry of Justice has moved in and Social Services has moved out. And that's a . . . I didn't want to use the word transition, but that's a relatively recent transition. The minister didn't say that the ministry is going to build a transition house or fund a transition house. The minister said — and I assume the words were chosen carefully — that the ministry would be funding or supporting, in some way, sites of safety. What exactly are sites of safety, and what exactly is going to be the ministry's support of them?

Hon. Mr. Morgan: — We're joined by Jan Turner.

Ms. Turner: — Hello. This is a pilot project that the ministry is undertaking this coming year. As I know you're aware, safety for women in the North has been a concern for some time. It's difficult also to think about the creation of safe facilities in some of the northern communities. What we've heard repeatedly from our victim services in the North, from women in the North, from the RCMP [Royal Canadian Mounted Police] in the North is that we need to think of new ways to keeping women safe. So for the coming few months we're going to be consulting with groups in the North, learning more about how we could actually achieve that. And if it means having facilities in the North, then we'll be looking at that.

For the most part, I think we'll be looking at a more aggressive transportation strategy so that women and children that come into immediate need, we have a mechanism then to be able to transport them to a place of safety, which might be La Ronge, which might be Meadow Lake, which might be Prince Albert. But we want to get started this year in seeing what we can do to be more proactive in meeting that long-time need.

Mr. Quennell: — Okay. Transportation was going to be my next question, but maybe it's been answered. But I'm not sure my first question has been answered yet. Sites of safety imply . . . well, they imply a site. And so what I've heard in the response so far is not that there will be a site of safety or otherwise, but that there's some ongoing evaluation and analysis as to what the ministry could be doing instead of a transition house.

Ms. Turner: — When we talk about sites of safety, those could be existing facilities, as I mentioned, that are already in La Ronge or in Meadow Lake. But we would also be looking at the opportunity to develop other types of sites of safety or facilities in some of the northern communities. That doesn't necessarily mean a full transition house. It might be a safe home. It might be in combination with other places that people would feel safe.

So the initial work will be done in terms of being able to transport people quickly out of some of the communities.

Mr. Quennell: — I guess my question . . . I mean I only have this line of inquiry because of the minister's use of the language — sites of safety — which suggested to me that next year when we're in estimates, whoever is in this chair and whoever is in the minister's chair could have a conversation about where the sites of safety are in Pelican Narrows or La Loche or I think Stony Rapids was another community that the minister mentioned in his opening remarks.

But it doesn't sound like necessarily that there would be such sites. It's just something that's being discussed?

[19:45]

Hon. Mr. Morgan: — The purpose would be to ensure the safety of the women that live in those communities. In some cases, it may be by having some place for them to go to in the community that would be there. The communities themselves are small enough that it would be impractical to set up a facility in each of the communities. So the more practical approach might be that we would relocate the person to another community where there was either a transition house or some kind of a community facility that could provide safe housing or transition housing for a period of time.

To try and build a transition house in each of the northern communities would not, would not be affordable or a good use of resources if we have other options by way of relocating people. And it may be safer for them to be relocated in any event.

Mr. Quennell: — Okay. And this isn't a debate about transition houses in the North. But I'm just trying to get as much concrete detail about what the minister meant by sites of safety because I appreciate that's the alternative or one of the alternatives to transition houses, the other one being transportation to a larger community such as Meadow Lake or La Ronge.

The safe houses, if I call them that, how would the ministry see those being governed — locally through some community justice arm of the ministry? They wouldn't have the full, sort of non-profit governance of a transition house. But somebody would have to be responsible for and for accounting for how they're used, to the ministry, if there's ministry funding. I mean, has any of this been thought out?

Hon. Mr. Morgan: — There's a variety of different models, as you're aware, that are used. Now most of them are a community-based organization, and that's served the province well. So to the extent that those organizations exist . . . But I suspect it'll likely be a number of different models that will emerge, you know, maybe something that's offered through police services and maybe something that's offered through other entities that are in the community.

I'll let Jan answer it, but I don't think we would want to preclude other options or say that we have preferred model right now. We know that it's important to have the service and to be as open-minded about different options that might materialize as the research is being done to determine what best practices might be.

Ms. Turner: — Just further to that point, our first step is really to talk with northerners themselves and particularly the northern women's groups that have raised this concern to us in the past, to seek their ideas about what would work best for which communities and in which circumstances. We do have victim services in many of the northern communities, and certainly we rely on their expertise and their advice as well. So this is a really a year to make a plan and make a plan that's going to be satisfactory to northerners.

Mr. Quennell: — I take it this is a conversation that's about start?

Ms. Turner: — Yes.

Mr. Quennell: — Okay, not a conversation that's been ongoing yet. So what's the funding that's being set aside in the budget for these consultations or conversations that will take place over this year?

Ms. Turner: — Right now there's 50,000 in this appropriation for this, but we do hope to make some progress apart from just the consultation. We do want to be able to offer services for some women. Again it will be more of a transportation, of being able to move women and children to, you know, a safe site in that way.

Mr. Quennell: — Transportation being the other alternative and one that you probably don't need other consultation about. I think you sound like you're concretely committed to it. So what's set aside for this budget year for transportation of abused people, I guess it might be the best way of phrasing it, out of their communities to safe communities?

Ms. Turner: — As I mentioned, it's 50,000 this year. And we would have these conversations, and we'd be able to start this, we hope, by about July 1st or so that we would have a plan in place to start.

Mr. Quennell: — So the \$50,000 is for the consultations on the safe sites and for transportation.

Ms. Turner: — Yes, but I anticipate the majority of it will go for transportation. The consultation will not be a costly item for us.

Mr. Quennell: — That would be the lesser amount of it, so maybe \$10,000, \$5,000 for these consultations?

Hon. Mr. Morgan: — There's consultation that takes place with northern people on an ongoing basis on a variety of different Justice issues, so there's other money that's set aside for consultation and meetings with elders' groups and a variety of other things. So a lot of those things, those consultations would be within other budget areas.

Mr. Quennell: — So the whole \$50,000 might go to transportation.

Hon. Mr. Morgan: — I think all or most of it would.

Mr. Quennell: — So any funding for actual sites of safety will wait for another budget year? That's a yes?

Ms. Turner: — Correct, yes.

Mr. Quennell: — Oh okay, well that was a long time getting to that.

Moving on to Legal Aid, the minister will appreciate and will remember, I expect, that was an ongoing campaign, when I was minister of Justice, to attempt to return the federal government to its 50-50 cost sharing of Legal Aid. And that was a campaign

that was carried on by ministers of Justice across the country, obviously without success. But I'd be interested in the current minister's position on that cost sharing, his attempts to bring the federal government to a position of fair and equal funding of Legal Aid, and, maybe as well as a diagnosis of the problem, a prognosis of maybe success someday.

Hon. Mr. Morgan: — During my time as Chair and CEO [chief executive officer] of Legal Aid, that was probably one of my more successful times in dealing with this matter. We have had ongoing discussions with the current federal minister and with the officials.

The federal position appears to be that they are willing to share, to some extent, the cost of criminal legal aid. They take the position that civil legal aid is the responsibility of the provinces. We argue that it is a service that is needed for all Canadians and a service that should be available to not just Canadians who come into contact with the justice system by virtue of crimes that are allegedly committed but also family law and domestic issues as well. We haven't been able to convince them of that.

And the share that they provide on a dollar for dollar value is not much different now than it was in the early '90s, so it has not kept pace with inflation. And at this point in time, they're quite open that it is not intended to cover any portion of civil legal aid.

It's not for lack of asking or negotiating on the part of any of the provinces. I think the provinces raise it every time there's a FPT [federal-provincial-territorial] meeting, and I certainly raise it whenever I have the opportunity to meet with the minister on other matters.

Mr. Quennell: — And of course the minister also points out to the federal minister that civil, particularly family and domestic matters that are allowed to fester and not dealt with properly can become criminal matters?

Hon. Mr. Morgan: — I think there's a variety of arguments that can be put forward, and that certainly would be one of them.

Mr. Quennell: — So what is, for the province of Saskatchewan, what now is the federal share of funding of legal aid?

Hon. Mr. Morgan: — We'll tell you the total budget and the amount provided by the federal government.

Ms. Pottruff: — Betty Ann Pottruff again. \$4.2 million is what we receive in federal funding each year for criminal legal aid.

Mr. Quennell: — And the total budget of legal aid is?

Ms. Pottruff: — 22.

Mr. Quennell: — So about 20 per cent, about 20 per cent.

Hon. Mr. Morgan: — Yes, that's correct. The current contract expires in March of this year . . . of '12 rather, and so we're back to the negotiating table to see whether there's a change on it.

From my discussions with the federal government, I would be surprised if they're going to take a different position, but I can assure you, it won't be for lack of asking on the part of myself or my counterparts in the other provinces.

Mr. Quennell: — I was interested in the minister's comments about the decrease in the availability of private bar lawyers to legal aid — a rather dramatic decrease, 45 per cent. I forget what time period was that over.

Hon. Mr. Morgan: — 2009-2010, nearly 1,300 of the 21,000 were handled by the . . . In the past decade we've witnessed a 45 per cent decrease in the number of private bar lawyers willing to accept a legal aid case.

I think that there's two factors at work. There's probably more cases being sent out, so it's harder to find a lawyer willing to take it on a significant pro bono basis. And I think lawyers now see this as a portion of their practice where they expect to be reasonably compensated for it, where at one time lawyers were willing to take a case because they received some profile.

During my time, and maybe it's a sign of my age, we budgeted about \$5,000 for a first-degree murder trial and we're able to maintain that budget from the private bar.

Mr. Quennell: — Does that take us back to the '80s? I think that takes us back to the '80s, doesn't it, Minister?

Hon. Mr. Morgan: — Late '80s or early '90s.

Mr. Quennell: — So inflation hasn't been that much since that time?

Hon. Mr. Morgan: — I think the reason that lawyers were willing to do it at that time, and they were quite candid about it, is that murder trials — there was probably less of them than there are now — and that a murder trial dominated the newspaper for a significant period of time. And the lawyers would tell you that during the time they were in court on a murder trial, their calendar was filling up with clients coming in on other matters. So it was very good advertising.

Mr. Quennell: — A loss leader, so to speak.

Hon. Mr. Morgan: — I don't think I used that word, but you're right. And the private bar lawyers that did them certainly didn't do anything less than they would for any other client. They didn't minimize how they handled them, and I think we were well served by the lawyers, both in the private bar and the staff lawyers that handle the cases.

Mr. Quennell: — The minister referred to a nominal increase in the amount paid to the private bar in response to this issue, and I was hoping the minister could give me, well give the committee and the public some idea of what is meant by a nominal increase. And the word nominal suggests that it may not address the issue.

Mr. Snell: — Allan Snell, Legal Aid. The amount of \$140,000 in the budget would allow for a \$4-an-hour increase in the tariff, bringing it to \$84 per hour. We are obliged by statute to consult with the Law Society, which we will be doing. And I

think it's fair to say, having spoken with Greg Walen who's the Law Society's representative, that the committee reviewing the tariff will not just look at increases in hourly rate but also perhaps investigate other methods of compensation for lawyers.

Mr. Quennell: — If it's a matter of the compensation being too low and the profile not being what it used to be, does the ministry actually believe that moving from 80 to \$84 is going to make any difference?

Hon. Mr. Morgan: — I think it might be seen by the private bar as a sign of support. The figure was arrived at with consultation between the commission and the private bar. If it's not sufficient we may, in a subsequent year, have to look at doing something different. Now it's a pressure that's there, but it's a pressure that's manageable right now.

[20:00]

Mr. Quennell: — So what will the \$4 hourly increase cost? What's budgeted for that?

Mr. Snell: — 40,000.

Mr. Quennell: — Okay. I want to move on at least briefly to the Financial Services Commission. There's been some considerable discussion of changes there. The minister spoke to a Bill today I think. And I'm afraid I haven't looked at the Bill very closely yet, the second reading speech; debate just started today I think. But does the Bill facilitate the consolidation of consumer protection into the Financial Services Commission?

Hon. Mr. Morgan: — It does. The purpose of the Bill is to have the Financial Services Commission as a free-standing entity and will set fees such that it self-funds. And the consumer protection process is well-handled within that model because of the investigative and analysis that's . . . the focus that's already within that agency.

Mr. Quennell: — I don't begrudge the Saskatchewan Financial Services Commission their increase. I know they do good work, but I'm trying to figure out the reason for it. And I'm sure the minister and his officials can help me. I see what looks like an over \$5 million increase, a decrease in consumer protection spending of \$400,000, and an elimination of what's being spent in the corporation's line item from \$928,000 to nothing, which I don't know if that's part of this re-organization or not.

Hon. Mr. Morgan: — Corporations branch was transferred to ITO earlier this year so that . . . ISC [Information Services Corporation of Saskatchewan] rather, earlier this year, so that transfer has already taken place. So the revenue is gone but so is the expense side as well.

My admonition to them when they went was that we expect them to . . . the high level of service that the corporations branch has provided to the legal community because the services that were there over the last . . . I'm sure when both you and I were in private practice, I thought, were very good. They were the online registrations, the assistance that you got from the staff made it, I thought, very easy to look after your clients' affairs. So they believe that with the change, through ISC, they will be able to enhance it even further and they will

be able to do the . . . [inaudible] . . . searches online through there. Now this is going to take a day or two to do those searches but they are able to do it. But I'll let Mr. Wild answer the rest of the question.

Mr. Wild: — Dave Wild, Financial Services Commission. Bear in mind, the transfer takes place October 1st so it's a mid-year transfer. We were provided with half of a year of expenditure budget and also half a year of the revenue budget. That amounts to \$546,000 on the expenditure side and around \$400,000 on the revenue side.

Mr. Quennell: — And that explains the partial drop in what's being spent in consumer protection because what you had in 2010-2011, a full year, and we have in 2011-12 a half a year. Is that right? But it appears to me that the increase to the Saskatchewan Financial Services Commission is greater than the decrease at consumer protection, so obviously there's something else going on here and that's what I want to talk about.

Mr. Wild: — Certainly. Three components to our increase, we've talked about one already, the transfer of consumer protection branch. We do also have a cost-of-living increase, so the general cost-of-living increase that was provided to budgets across government of 2 per cent.

And the third element is transfer of responsibility for payment of our IT [information technology] costs from Justice to the Financial Services Commission. As the minister mentioned, over time the intention is to make us very much a stand-alone operation, so a full cost-recovery operation. Previous years, the cost of information technology was paid for out of the Department of Justice budget, so \$135,000 also was transferred from the Justice budget to the Financial Services Commission budget to fund our IT costs.

Mr. Quennell: — Mr. Minister, I should see a decrease in the IT costs for the ministry associated with the Financial Services Commission taking on those costs. And where would I see that?

Hon. Mr. Morgan: — Mr. Tulloch is just having a look. The interesting thing that happened there this year was the BHP-Potash Corporation issue. There was an application brought to the Financial Services Commission dealing with some of the . . . I think the vernacular word is the poison pill of Potash Corporation. We anticipated having to deal with that application at the Financial Services Commission until the federal government decided they were not going to allow the takeover to proceed. So then the application was withdrawn.

So I think that application, when it was before Financial Services Commission, cast on our officials, it cast a light on the whole process that they did, that they used in the past, what might take place in the future given that we're now part of a more global community and that we do have major corporations within our province and that we have to have the facilities and the ability to handle the things which come forward on that.

During the course of this particular application, even though the application was withdrawn before it went ahead, the staff did spend significant time and resources in getting ready for it, enlisted the support and assistance of the Ontario commission.

And I thought we're doing a remarkably good job. And had the matter gone ahead, I'm confident that we would have been able to provide a competent, professional result and handled it adequately and appropriately.

But it's things like that that put things in perspective as to the nature of our province and where things are going. I don't know whether Mr. Wild has found . . .

Mr. Tulloch: — Hi, Dave Tulloch for corporate services. In the transfer of consumer protection branch over to SFSC [Saskatchewan Financial Services Commission], there was \$30,000 that was transferred out of our information management branch area. That is located in our central management and services subvote, so it wouldn't necessarily sort of be highlighted for you, but that's where the money was budgeted. And that's where it was removed and transferred over to Dave's shop.

Mr. Quennell: — So I'm not quite sure I've got the reason for the \$6 million increase yet. We have a half million dollar transfer from consumer protection. In this fiscal year we have less than \$100,000 in IT costs transferred over.

Mr. Tulloch: — Dave Tulloch again. There was also the transfer of accommodation costs that would have been transferred over, that came along with the consumer protection branch. So we can get you the numbers if you just give me a second on that too.

Mr. Quennell: — I'm just wondering how much of this increase is in reference to the minister's comments that he just made about needing to be able to respond to the types of issues that might now be brought from the Financial Services Commission if there's not sort of a beefing up of the commission that's included in this \$6 million increase.

Mr. Wild: — I'm not sure I understand the \$6 million. Our total expenditure budget is \$5.2 million, not an increase. Nevertheless to address your point, really the big uptake in our resource base was not in this coming year's budget or even last year's budget. It was the year before where we received the 30 per cent increase in our budget, received an increase of 13 FTEs in anticipation I think of a lot of these issues coming on stream. Obviously the government didn't foresee potash two years ago, but it's a recognition of the growth of the province, the activity in the province, and the pressure that that puts on regulators, particularly financial services regulators.

Mr. Quennell: — [Inaudible] . . . have been doing that with Mr. Wild obviously. This takes me to . . . Oh, unless we have the accommodation number now.

Mr. Tulloch: — Just to say that 60,000 was transferred for accommodations in total sense from our ministry. The costs we had in our IT and accommodations were provided direct to Dave in SFSC.

Mr. Quennell: — This discussion about Saskatchewan Financial Services Commission's role in global economy takes me to the government's support of what we call the passport system, whether that's lukewarm or otherwise, and the current status of the discussion or debate or whatever it is between the

national government and whatever provincial governments are still supporting the passport.

Hon. Mr. Morgan: — The matter is currently before the Supreme Court. I can tell you this: the federal government proposed a draft Bill that would reflect the single national regulator that was being proposed by the federal government. The province of Alberta initiated their own reference some months ago. Their Court of Appeal held unanimously that the issue of a regulator was within the province's purview and not in the federal government.

The province of Quebec also did a reference to their Court of Appeal, and a decision recently came down that was a mixed decision but supported the province's right as well. The federal government, as you're likely aware, has done a reference to the Supreme Court and that is to be heard later this month, this week actually, which is why Mr. Mitchell is not here tonight.

Mr. Quennell: — Saskatchewan is an intervener?

Hon. Mr. Morgan: — We are an intervener, and we are taking a position in opposition to the federal government, but that should not read that we would necessarily would want to maintain our support for the passport system. We continue to have concerns about our ability to deal with global or systemic issues and would like to have, at the end when the litigation is concluded and we're able to better assess who has jurisdiction in this area, have some further discussions or negotiations.

There may be room for more than one regulator within a jurisdiction. There may be room for a regional regulator. And those are decisions that haven't been made yet. We have, given the global collapse and the things that have taken place in the last 24 months, we have reservations about whether the passport system is an appropriate method of dealing with securities.

Mr. Quennell: — Okay. So that's a more nuanced viewpoint than perhaps the province of Saskatchewan has taken in the past. So would I be correct in understanding that, for the Supreme Court, the province has taken the position that this regulation of financial matters is a matter of property and civil rights and falls within provincial jurisdiction but having won that argument — assuming that argument is won in the Supreme Court as it's been won in the Alberta Court of Appeal — the province remains open to some type of a national regulator, whether that's, not one that can be imposed by the federal government but one that can be agreed to by the jurisdictions? Would that be a fair summation of the government's position?

Hon. Mr. Morgan: — I think that would be reasonable. There is . . . The issue of property and civil rights is one that's imperative that the province maintain that because it goes beyond just securities. There's a variety of other issues. So if we were to lose the ability to control property and civil rights in that area, it would give the federal government the ability to encroach in a lot of other property and civil rights areas that would cause some significant concern to Saskatchewan. So from the point of view of a precedent, it's imperative to us that we are successful as an intervenor at the Supreme Court.

[20:15]

Having said that, when the matter is resolved we will want to try and work with some other jurisdictions and with, within our own province. We think there's some need to have a local regulator for some of the smaller issuers that carry on only in one or two provinces. The example that we've used publicly would be Fortress Properties, Millennium III Properties in Saskatoon. I suspect you know them or know of them. And their practice has been to buy a strip mall for 15 or \$20 million and sell the units as a limited partnership. There's Assiniboia land partnership in Regina, and a variety of other smaller local issuers that would not be appropriate to have dealt with through a national regulator.

Mr. Quennell: — There's relatively few publicly traded companies that even nominally have their head office in Saskatchewan. Of course we've talked about . . .

Hon. Mr. Morgan: — Other than the largest one in the country. Other than the largest corporation in the country.

Mr. Quennell: — [Inaudible] . . . referring to?

Hon. Mr. Morgan: — Potash Corporation has the largest outstanding capital in the nation, so that's a Saskatchewan company.

Mr. Quennell: — Well that's why I used the word nominally in reference to the head offices, is because of that example. So there would be, the minister thinks, perhaps a two-tier system where PCS [Potash Corporation of Saskatchewan Inc.] and three or four other publicly traded companies would come under a national regulator, and smaller traded companies would come under . . . or smaller companies would come under the provincial regulator?

Hon. Mr. Morgan: — You know, I don't . . . I've tried to sort of outline that what you describe is the nuanced position the province is taking. I don't think we would want to go further down the road and speculate or design a system until we see what the Supreme Court rules. So I think for us, it would be premature for us to outline a lot of specifics until we know the direction the court gives us.

Mr. Quennell: — On a related topic, if we could report to the people of Saskatchewan on the current status of the payday loan industry. Rates or fees that can be charged by these companies are now set by regulation. If the minister or an official can sort of outline the current charges for payday loans and perhaps when that was last adjusted by the cabinet.

Hon. Mr. Morgan: — I'll have one of the officials speak to that. There's a complex process that you go through because there's the exemption that's granted in the Criminal Code, and the federal government grants a specific exemption once the regulation . . . [inaudible] . . . There's a back-and-forth process. But I think we have somebody here that can probably speak to the likely timeline on that.

Mr. Quennell: — [Inaudible] . . . the federal government needs to be approving the regulations on fees and charges and rates as they are changed?

Mr. Wild: — No.

Mr. Quennell: — No, I didn't think so.

Mr. Wild: — No, the process is this, that the federal government has indicated that it will grant an exemption from the Criminal Code for the payday industry provided that there's an acceptable provincial regulatory scheme in place. So it's a one-time designation. A province develops a scheme, puts it before the federal government. The federal government designates that as being an appropriate regulatory regime to grant exemption for any payday lenders operating in that province. And that's the end of the federal involvement.

The current status is that *The Payday Loans Act* of Saskatchewan has not been proclaimed. We have made application to the federal government for designation. It unfortunately has gotten caught up in the federal election and almost certainly will be delayed. Our best guess on the timing will be that the federal government will give us that designation later this calendar year, at which time the province could proclaim the Act, proclaim the regs, and the maximum interest rates come into effect only at that point. The rate that's on the books is not expressed as a percentage. As you may recall, the payday loan is for such a short period of time we avoid annual interest rate. The rate is described as a dollar amount per \$100 of loan. So the province of Saskatchewan, in keeping with Alberta and BC's rate, has decided to go with a cap of \$23 per \$100 of loan.

Mr. Quennell: — So the legislation, the enabling legislation at the provincial level I believe was passed a number of years ago — four years ago? — under the previous administration. And we still don't have federal approval for the scheme?

Hon. Mr. Morgan: — We haven't delayed it. In fact we actually tried to shorten the process as much as we could. Some of the other provinces chose to engage a national accounting firm to do a study of their local market. We felt that we were similar to the other provinces that are already engaged, so we used their research and went ahead with it.

So our application is in at the federal government. We're at this point not overly concerned that it has not been approved because they've indicated that it likely will be because we're consistent with other provinces. In the interim, the industry is compliant, is complying voluntarily.

Mr. Quennell: — But sort of still in legal limbo.

Hon. Mr. Morgan: — That's correct.

Mr. Quennell: — Okay. Not as much progress as I anticipated.

Hon. Mr. Morgan: — I was surprised that it was as difficult or as complex a process as it was. But I think, subject to whatever happens in the federal election, we're likely close to where we need to be on it.

Mr. Quennell: — I don't imagine that the result in the federal election would alter this very much, but no point in us having that conversation. I think that's all my questions on the Financial Services Commission. So we can excuse Mr. Wild for just a moment. He can give up his chair and we will have a brief discussion about Provincial Court.

Hon. Mr. Morgan: — I'm joined by Ken Acton.

Mr. Quennell: — There's been some discussion in the Assembly because of legislation amending *The Provincial Court Act*. And the government is moving away from the civil divisions of the Provincial Court and shifting, as the minister said in his opening remarks, some additional responsibilities to justices of the peace. And are those decisions driven in part or entirely by financial considerations?

Hon. Mr. Morgan: — I think to a significant extent they would be. The cost of a Justice of the Peace would be significantly less than a Provincial Court judge, and the functions that we're proposing to have done by justices of the peace would be done at a lower cost.

Mr. Quennell: — What are those functions exactly?

Hon. Mr. Morgan: — They would be . . . I'll let Mr. Acton give an exhaustive list, but they include things like some small claims court, some warrants, and . . .

Mr. Acton: — There's two parts. One is to provide the case management or the pretrial mediation process on small claims matters, which justices of the peace have not been doing, and we think that will free up more time for Provincial Court judges to do trials either on the civil side or on the criminal side.

There's probably a judge in Regina and one in Saskatoon that spend more than 60 per cent of their time just doing the pretrial or the mediation process, so if we can have justices of the peace do that work, it will alleviate some of that pressure.

We've also . . . The chief judge has been . . . Well for a number of years we've had JPs [Justice of the Peace] go out on circuit and hear traffic matters and simply set aside other matters on the criminal side to be heard when a Provincial Court judge comes out, and the chief judge would like to expand that where appropriate to ensure that we're making the best use of her court. So that will happen as well.

Mr. Quennell: — Okay. I note that next to salaries, Provincial Court judges in parenthesis is statutory. I think the only other thing that's statutory is the . . . Oh no, there's a couple of other things besides the minister's salary is statutory. There's a cycle to a Provincial Court judge is, I think, a three-year cycle. And something akin to arbitration — I don't know if they'd appreciate the use of that term or not — but akin to arbitration determines what the increase would be in provincial court judges' salaries. Where are we in that cycle?

Hon. Mr. Morgan: — It runs out later this year, I believe. The process has not started yet, although there's been some discussion about process. But it is not under way, but it does run out this year.

Mr. Quennell: — So the provincial government and the Minister of Justice perhaps will be selecting a representative on the commission or committee and the judges will be choosing someone. Do they choose a Chair, those two people?

Mr. Acton: — Yes. Each side appoints a representative and then the two parties choose the Chair. *The Provincial Court Act*

sets that that would be completed, I believe, by July 1 of this year so that the commission could then do their work throughout the fall.

Mr. Quennell: — It doesn't sound like the minister is worried too much about strategy yet. But if the process is ending this year, is this merely an estimate or are we comfortable that we know what judges' salaries are going to be to the end of the fiscal year, March 31st, 2012?

Hon. Mr. Morgan: — We don't know what the increase would be so the practice has been that we don't include an estimate. We don't do it for collective bargaining. It would be in the next fiscal year.

Mr. Quennell: — Fiscal year. So this is actually the number it's going to be.

Hon. Mr. Morgan: — Correct.

Mr. Quennell: — Now the increase to — I appreciate I'm moving on a little bit here — the increase to Public Guardian and Trustee, is that merely inflationary or does that reflect a caseload increase?

Hon. Mr. Morgan: — We're joined by Rod Crook.

Mr. Crook: — That's Rod Crook. The increase to the Public Guardian and Trustee budget is \$190,000; 46,000 of that represents the economic increase on salaries and the balance of 144,000 addresses workload pressures in the office.

Mr. Quennell: — Okay. So a significant increase in . . . Oh, you said workload pressures. That doesn't mean caseload. That could mean not that the number of cases have gone up, but that the cases have become more complex. But is that what's going on?

Mr. Crook: — Yes. It's a combination of both of those factors.

Mr. Quennell: — Now I guess I can ask this question when the legislation gets to committee, which is going to be very soon I suppose because we sent it today, but the adult guardianship and co-decision-making Bill that's currently before the Assembly, does that anticipate to have any effect on these numbers?

Mr. Crook: — No, it does not.

Hon. Mr. Morgan: — Having said that doesn't mean that we don't put any value on it.

We just don't think it's going to be a cost driver for that agency. We think it's going to provide us some significant benefits to people that require a guardian to be appointed for them. So we think it's a significant benefit to the public, and it should not be a significant drain to the GRF [General Revenue Fund].

Mr. Quennell: — Well, Minister, it struck me that the legislation has the benefit of providing greater clarity to people practising in the area. I don't know if that was the primary reason for it, but I didn't see any cost drivers in it. But I might as well ask the question since there is an increase to the budget here. And we've already discussed consumer protection and the

decrease from the 885,000 to 447,000 that's because mid-year it's being transferred to the Financial Services Commission. That's correct?

Hon. Mr. Morgan: — That's correct.

[20:30]

Mr. Quennell: — Is the consumer protection agency or part of government, is that primarily complaint-driven? Or what initiates activity on the part of consumer protection? The Financial Services Commission, I mean, it's partly proactive, I think, watching over pensions and insurance and making sure that these things are running smoothly and don't initiate complaints. And it's partly complaint-driven if people think that there's inappropriate things being done in financial transactions and security transactions. So there's a bit of both.

But the consumer protection, how does it fit within the Financial Services Commission model in the type of activity that that part of government . . . Because at one time, as the minister might recall since his public service goes back to the '80s as we previously discussed, that this was a department of government, Consumer Affairs. And it's been slowly shrinking down, and now it's going to disappear entirely into the Financial Services Commission. What is its remaining activities that are being transferred over to the Financial Services Commission?

Hon. Mr. Morgan: — Your question was whether it was a complaint-driven model. It serves a public education fund as well and deals with systemic issues. You will recall we passed ticket sellers legislation, so there is an education component there. There's periodic public awareness programs dealing with seniors or credit card fraud, and that type of thing is dealt with. The official that deals with it is Eric Greene who is not here, but there is a number of ongoing initiatives that deal with public education.

By dealing with it through Financial Services Commission, because of the overlapping sort of nature of the things that they do, it may raise the profile of some of the things that they are able to do by way of public service. I don't know whether Mr. Crook has anything he wants to add to that.

Mr. Crook: — Certainly the complaint . . . You asked the question of how activity is generated. Certainly a big part of it is inquiries from the public, not just particular complaints but inquiries about what the law is in the area, what their rights are, and the kind of public education aspect that the minister spoke to. There's also a significant licensing component. The branch is responsible for 12 statutes, and in a number of these areas, there are licensing regimes in place that the branch supervises in order to ensure that the activity is carried on in the proper manner.

Hon. Mr. Morgan: — Mr. Tegart would more likely be able to provide a bit of history as to the fact that we used to have a very small securities component, and now we have a very large financial services component that deals with a variety of other things. So I will let him give you the very short thumbnail answer.

Mr. Tegart: — This is going to be a partial answer as well. At one time the Securities Commission dealt simply with securities, and that was the origins of the Financial Services Commission. And as Mr. Quennell will know, then we combined that with the financial institutions regulation component to form the Financial Services Commission.

I recall that in the days when Consumer Affairs was a larger organization, the Securities Commission actually was attached to Consumer Affairs. So in some ways we're just rejigging it again to bring them back together in the way that they were in the origins of the Consumer Affairs department and the Securities Commission.

Mr. Quennell: — But instead of a Department of Consumer Affairs with a Securities Commission tail, now we have a Financial Services Commission with a consumer affairs tail. The dog and the tail switched places

Hon. Mr. Morgan: — We wouldn't use that analogy at all. We would just use these as structural components within the commission.

Mr. Quennell: — Anyways it certainly shows a growth in the province's involvement in regulating and overseeing financial institutions and pensions, insurance and perhaps less emphasis on products and goods and services and protection of the consumer around . . . And I'm not being critical of that. It's just the change of emphasis as the world becomes a little bit more complex.

Hon. Mr. Morgan: — Yes.

Mr. Quennell: — Public Complaints Commission, the . . .

Hon. Mr. Morgan: — We're joined by Jan Turner.

Mr. Quennell: — A few years ago there was significant change in how we dealt with complaints in respect to municipal police officers and moving from one individual commissioner to what is called the Public Complaints Commission which has statutory requirements for legal representation and Aboriginal representation. And I'm interested in the progress and the work of the commission and whether it is being used and whether there's a perception in the community that it's effective in serving its purpose and giving citizens recourse against what they say is police abuse.

Hon. Mr. Morgan: — I'll let our official give you some background. The model that is currently being used is serving the province quite well. We've made, as you're aware, no changes to the makeup of the commission members. And from the feedback that we are receiving from a timeliness point of view, is that the complaints are dealt with in a reasonably timely manner. From talking to members of the First Nations and Aboriginal community, there is a sense that they operate fairly and independently. There is also, when you talk to the Association of Chiefs of Police or the Sask Federation of Police Officers, that there's a sense that there is a good system there that's fair, and that it's valid, and it deals with things appropriately.

So there's a very, very fine balance between being proactive on

the part of a complainant and also being seen to be part of what is often perceived as a cover-up for activity by the police. So I think, from a balanced point of view, it's where it should be. And the sense that we have as well is that it's dealing appropriately with . . . [inaudible] . . . but with the resources that it has. Now I'll certainly let Ms. Turner give you other background on it than that.

But it's something that we are not dealing with complaints on it and have actually suggested to the RCMP that it's a model that seems to be working. And I know there's issues with the RCMP on a national scale that they're working their way through. And we're certainly supportive of what they're doing and are pleased with the way our municipal matters are dealt with.

Ms. Turner: — Perhaps I would just add that certainly one of the goals was timeliness of application, and we're very pleased that we're currently sitting at a time where it takes about three months from the time the commission receives a complaint until there's a resolution, which is much improved. It's too soon yet in this fiscal year to have the numbers for the last fiscal year, but for the last couple of years they average about 150 complaints a year, and that would seem to be the average we're dealing with.

Mr. Quennell: — The minister raised the issue of the RCMP and we had . . . The previous government had encouraged the RCMP to move one of their offices or to establish an office to hear complaints in Saskatchewan. I think the closest one's in Surrey of British Columbia. I assume there's been no progress on that.

Hon. Mr. Morgan: — No.

Mr. Quennell: — Secondly, policing has moved under this administration from Justice to Corrections, Public Safety and Policing, and I note the Public Complaints Commission hasn't moved. And I think that's appropriate that it not. There's no prospect of it moving over to Corrections.

Hon. Mr. Morgan: — Well we think that maintaining it through a separate ministry gives it a small amount of distance, and there's less of a perception that it's looking after themselves. The current model I think is serving us reasonably well. We're confident that it's fulfilling its mandate, so we're watching it very, very closely, but we're pleased.

Mr. Quennell: — Now the minister said that the government hadn't made any changes. And I assume that nobody's retired or resigned from the . . . Are these all the original members from when the commission was established by the previous government?

Hon. Mr. Morgan: — Yes, that's correct. And they're there, and there's no immediate intention to change anybody that's there.

I think it's appropriate to note that one of the reasons I think that there's less activity or that the activity is relatively stable, the chiefs of our municipal police forces have done a lot of work to reach out to the Aboriginal community and have been very proactive in dealing with their own officers, trying to have training and dealing with race issues, sensitivity issues. And I

think that that's gone right through from the chiefs right down to the newest members. So I think it's worthwhile for us to recognize that and to commend the police officers. They're a group of men and women in our province that we should rightly take a great deal of pride in.

Mr. Quennell: — I agree with the minister. I think it's been certainly, well I would say on the part of every police chief, but certainly in the larger cities in particular, exemplary leadership recently of our municipal police services.

Now the relationship with the RCMP around complaints is a little more complicated. In the news today is a story of an 11-year-old boy being tasered, I think it was in British Columbia. And the comment that was made in the news was that the investigation was either being conducted or overseen by another police force, and I assume a municipal police force in British Columbia. And I believe that's a practice here as well. Is that correct?

Hon. Mr. Morgan: — Yes. Certainly where there's been a shooting or use of force, there's some discretion, but there's an overseer appointed by the deputy minister of Justice.

Mr. Quennell: — And that policy and process is still working well?

Hon. Mr. Morgan: — Yes. I think Ms. Turner wants to add something to that.

Ms. Turner: — Just further to the minister's response, we've recently had an opportunity to meet with the Chiefs of Police. And during those conversations, they both have given their, you know, their full support for the Public Complaints Commission but also the role of the independent observer. They feel that this has worked very well for the police force and is something that they continue to support.

Hon. Mr. Morgan: — You may be aware that FSIN [Federation of Saskatchewan Indian Nations] had their own process, and they were appointing an observer as well. And I think, I'm sure not whether they're still doing that or not, but I think they realize that by having another layer wasn't giving them any more information than what they were getting with the independent when it was appointed by the deputy minister.

Mr. Quennell: — On that or related to that issue, there was funding from the Ministry of Justice and, before that, Department of Justice \$150,000 a year to the special investigation unit at the FSIN. Does that continue, and has that been changed?

Hon. Mr. Morgan: — Yes it is. That's ongoing.

Mr. Quennell: — And has that amount changed at all?

Hon. Mr. Morgan: — I don't think so.

Ms. Turner: — Yes, the appropriation for that has increased by the same value as all of the funds to community-based organizations. So in this particular year, they would've taken in an additional 1.5 per cent, consistent with the other grants.

Mr. Quennell: — Okay. I didn't think it was previously being treated as a CBO [community-based organization] funding, but now it is.

[20:45]

Hon. Mr. Morgan: — You know, usually when I disagree with the officials, I find out that I'm wrong, so I rarely ever challenge them. But I'm going to ask Mr. Tulloch to just have a look and see what that grant was this year just . . . He advises me that his computer has just died on him, so he won't . . . We have a paper copy that we have got faith in.

Mr. Quennell: — Okay. I note on the next line item, coroners, that the province is advertising for a new coroner.

Hon. Mr. Morgan: — I'm sorry.

Mr. Quennell: — He's advertising for a new coroner. I take it we've had . . .

Hon. Mr. Morgan: — Yes. That's a periodic thing. We advertise for them on a regular periodic basis to try and . . .

Mr. Quennell: — There's been no change in the chief coroner?

Hon. Mr. Morgan: — You're talking about Kent Stewart?

Mr. Quennell: — Yes.

Hon. Mr. Morgan: — No. He's there and, so far as I know, is relatively happy with his work and probably thinks his minister is wonderful. No, seriously I think it's working as it should. He's still there.

Mr. Quennell: — And the forensic pathologists are still in place, both of them?

Hon. Mr. Morgan: — Before we go any further, as I'd indicated before, disagreeing with officials is not a good idea. The grant to the FSIN is now 165,000. So that's been increased over a period of time. And then you're wanting to move on to the coroners.

Mr. Quennell: — Yes, I was just asking about the forensic pathologists if they're both in place.

Ms. Turner: — Yes, both forensic pathologists are in place right now, the one in Saskatoon and the assistant here. With respect to your question about the coroner, there are full-time coroners. There are three of them located in Saskatoon. We've had a recent change in one of those positions so there was recent advertising to fill that position as well.

Mr. Quennell: — It all sort of relates to the issues around police complaints as well because both these reforms, a few years ago, both came out in part, in large part out of Stonechild Commission. So they're two connected items, and they happen to follow each other as line items.

I have some more questions as we get down to boards and commissions, but my colleague Danielle Chartier has some questions about maintenance enforcement office, and I was

going to yield the floor to her. Would the minister have any difficulty in coming back if we don't finish by 9:15, if I can advise him what's been left unasked and so he doesn't have to bring back all his officials?

Hon. Mr. Morgan: — I have all of the officials here if you'd like to go past 9:15. I think we were given, that we had a total time allotment of 2 hours and 15 minutes so, you know, I would assume that we would be done by 9:15, but if there's anything that might go a little bit beyond that, I . . .

Mr. Quennell: — Well we'd be encroaching into the next area and if I could limit . . . I don't even know if I have any more questions about the Legal Aid Commission. If we could limit the . . . I mean, you were going to limit the questions to Human Rights Commission and Automobile Injury Appeal Commission and maybe a few other areas. If the minister would be willing to come back on another evening with a smaller . . . [inaudible] . . . of officials.

Hon. Mr. Morgan: — I have the Chief Commissioner from the Human Rights Commission here this evening, so if you have questions there, we should probably deal with those. Maintenance enforcement, as you're aware, that's walking distance from the building.

Mr. Quennell: — All right. Maybe I will see how long Ms. Chartier's going to go.

Ms. Chartier: — I just have a few questions. I'll be fairly quick.

Mr. Quennell: — Maybe we can do both.

Ms. Chartier: — Thanks very much. First question, I know that often . . . Maintenance enforcement talks about a 91 per cent success rate in terms of files. So I just am wondering, what exactly does this mean? Does this mean that the payor pays the required amount every month? Or how is success measured, this 91 per cent?

Mr. McNabb: — Yes, it's Lionel McNabb, director of family justice services. And we hit 92 per cent actually in both last year and up to the end of March this year. And the way that's measured is, unfortunately it isn't guaranteed every month but on the total amount due in a year and the total amount we collect in the year, we collect 92 per cent.

Ms. Chartier: — So someone might be four months behind and then pays a four-month back pay? Is that what you mean when you say total amount?

Mr. McNabb: — Exactly correct. One of our highest, we're into our highest months now because we collect people's income tax, so lots of times we'll get thousands of dollars in. We collapse pensions. So sometimes from somebody that hasn't paid for years we'll get pension money. We take away passports. I think one time last year we pulled somebody's passport in Saudi Arabia, and they sent us a cheque for \$55,000.

Ms. Chartier: — Okay. So of those payors that don't pay every month on time as required, you've given us some examples of how those legislative tools are used. Is it implemented, is the

use of those tools implemented immediately? Like if a payor misses his payment once or twice or three times, at what point in time do you start pursuing those kinds of measures?

Mr. McNabb: — That's a very challenging question. It hinges . . . you know, someone that's had a good payment record, something goes wrong and they may miss a payment. Well we'll expect them to catch up fairly quickly. Because it's a government agency, we give just about everyone a chance when they first register with our program, so it may take us a month or two before we get something going. We have a policy that you get — if you've had a fairly good payment record — you get two chances to send us an NSF [not sufficient funds] cheque. If you bounce the second cheque, we will be garnishing you.

Good percentage of our payors, we collect the money by garnishment anyway. The majority of people that register with maintenance enforcement come in owed money. Several provinces that are opt-out programs which means you're . . . everybody in the province, as soon as you get a divorce order or a family maintenance order, you're in. In Saskatchewan it's an opt-in program. So people generally only come register with the program when they're already having problems getting money.

Ms. Chartier: — Do you track the cost of enforcement, the cost of lawyers, maintenance enforcement staff, court costs?

Hon. Mr. Morgan: — We have a global budget for the maintenance enforcement office, so we don't charge it back to a file. Like the person receiving the money pays nothing. So there may be some files where the cost to collect is very low; it's a matter of receiving it and forwarding on. There's others where there'd be a court application or process where it could be much higher. But we don't allocate it to the specific file.

Ms. Chartier: — So there's no way of knowing if you have a file that's particularly tricky. Do you have any way of keeping track of those records? So one enforcement might be very little but on the other end, enforcement might be quite costly.

Hon. Mr. Morgan: — Well I think you'd look at any given file and look at the history of it and say this one's been complex, and we've had to do, you know, a variety of different steps. The next one you could look at and say, oh yes. In some cases the person that's the payor registers because they want it to come off their paycheque. So you'd look at some of those, and they may have paid for years, registered themselves, and it'd be just a negligible cost on it. So it's a matter of looking at each individual one. Are you trying to establish an average cost?

Ms. Chartier: — Well I've had a case come into my own constituency office that's been ongoing many, many, many years, and the amount that taxpayers of Saskatchewan have probably paid far outstripped the cost or the amount that the payee should have been paid. So this is where I'm coming from. I'm just trying to get a sense of what happens for those 8 per cent.

Actually what do you do with those 8 per cent, those difficult cases?

Hon. Mr. Morgan: — If somebody leaves the country and we

don't know where they are, you know, we reciprocate with a variety of other jurisdictions in Canada and elsewhere in the world.

But if a person disappears, we have no way of recovering them. If a person chooses not to work and does nothing, short of having the person put in jail, there's little you can do. Some people develop an illness or a disability, can't or don't work. Some people change jobs frequently and as they change jobs, they work a few weeks here, a few weeks there. By the time the garnishment set-up is in place, they've moved on to another job. And that's the nature of those individuals. Those people are irresponsible by nature and difficult to collect from.

Ms. Chartier: — Is there any indication that self-employed people, the difficulty . . . Are there any weaknesses in the system that you've experienced with that 8 per cent being self-employed people, a difficulty . . . It's not just people who aren't working but people who have various ways of reporting income or . . . I guess that 8 per cent, what is that 8 per cent?

Hon. Mr. Morgan: — If your question is, are self-employed people harder to collect from, the answer is yes. They have greater ability to conceal or transfer their income. You know, it's not like there's a third party employer that's served with a notice. If they control their own earnings, you have to find out where those are coming from. If you have a person that is a small-trades man that deals with a variety of different customers, it's very difficult where to find where that individual is getting their sources of money from. You garnishee a bank account. Well you may get it; then they'll change bank accounts. So those are some of the more challenging ones to collect.

Now I'll let Mr. McNabb maybe give you more background about the type of things that you might do to try and collect from those people.

Mr. McNabb: — Certainly the most challenging ones to collect from are self-employed payors. Some of course are very good payors, and they pay very well. Some of the enforcement measures we have of course are taking away their passport, cancelling their driver's licence. The other issue is that we never quit. The money is owed unless they go back to court and get it changed, and judges are reluctant to do that unless they can clearly show they didn't have the ability to pay. So we have a number of payors now that haven't paid, were in the program when it opened in 1986. So we're now collecting their Canada Pension Plan and their old age.

So you're right. They're more costly, more complex to collect from, but there's whole bunches of files where we've . . . The kids may have graduated high school and been done, payments were done 15 years ago and we're, 10 or 15 years later, you know, collecting all the money.

Ms. Chartier: — So I'm curious. So there is no end date then. So if the kids have grown up, they're of age now, you will continue to . . . But the cost of raising those kids was borne by one individual. Your goal will still be to try to get the . . .

Hon. Mr. Morgan: — We're collecting money recently where a child had grown up and died. And we were collecting money

for a deceased child because the mother had raised that child and incurred substantial amounts of money to raise that child, where she had made sacrifices to put the child through school. Tragically the child isn't alive, but the mother was still owed the money, and the maintenance enforcement office continued to collect the money until it was paid in full.

Ms. Chartier: — Just a question here. If there is a case of a breach of trust such as sending a claimant's MEO [maintenance enforcement office] file to the payor's lawyer, are issues like this, would this issue or the corrective actions be . . . do you let people know when there's been a problem of breach of trust?

Mr. McNabb: — I don't understand the question.

Ms. Chartier: — So if, when there's a breach of trust such as sending a claimant's MEO file to the payor's lawyer, so if something has gone sideways somewhere in the process, is the person whose trust has been breached, would it be a normal course of action to let this person know and then try to rectify that?

Hon. Mr. Morgan: — If you have a specific file, you should probably contact Mr. McNabb rather than have them answer hypotheticals. I mean if there's mistakes, and mistakes do happen . . . I think they do a remarkably good job but if there's an issue where a mistake was made, they would certainly want to know about it, rectify it. So if you have a specific file, I'd urge you to contact Mr. McNabb directly.

Ms. Chartier: — I haven't. My assistant has. We've been back and forth many, many, many times on this particular file. So we have had much conversation but perhaps we can have a little bit more. There's some serious dissatisfaction. As you said, you've got 92 per cent success rate, but that 8 per cent failure is really difficult when you are trying to put kids through school and your former partner doesn't want to come up to the table and take responsibility. But there's also difficulties when, in this particular case the . . . Well, Mr. McNabb, you and I can perhaps discuss it further. Thank you so much for your time. You gave me a little bit of clarity. I'm glad to hear that you do pursue things for the long haul.

Hon. Mr. Morgan: — Until the end of time.

Ms. Chartier: — Glad to hear that. Thank you very much.

[21:00]

The Chair: — Thank you. Mr. Quennell, do you have questions?

Mr. Quennell: — Yes. Just briefly on the Automobile Injury Appeal Commission, and I think we'll have time for my brief questions about the human rights increase. There's a decrease there, not even a cost of living increase in the Automobile Injury Appeal Commission. I'm just wondering why that's the case.

Hon. Mr. Morgan: — Mr. Crook advises me that they've historically been under budget, so we've been able to reduce it. You're aware that their cost is borne ultimately by SGI [Saskatchewan Government Insurance].

Mr. Quennell: — But it's . . .

Hon. Mr. Morgan: — It's not from a reduction in activity or service. It's just that they were performing under budget.

Mr. Quennell: — But I assume the estimate in 2010-2011 is close to what was spent in 2010-2011.

Mr. Crook: — Yes. We don't have the final 2010-11 numbers in, but most of this \$70,000 reduction is salaries attributable to moving to a part-time Chair from a full-time Chair.

Mr. Quennell: — Okay. And has the change already occurred or is it going to occur this fiscal year?

Mr. Crook: — Oh, it's already occurred.

Mr. Quennell: — It's already occurred. Okay.

Human Rights Commission, and I really only have questions about the new money, the \$300,000, and what's, some detail around what the programming is going to be.

Hon. Mr. Morgan: — Sure. We're joined by Judge David Arnot, and I'll let him answer the questions as to where the additional funds will go.

Mr. Quennell: — And whether there's a difference in how that \$300,000 from Justice is being spent and how the \$100,000 from Education is being spent — if that's two different programs or if that's just two different contributions to the same programming.

Mr. Arnot: — David Arnot, Saskatchewan Human Rights Commission. The \$331,000 is broken up into 93,000 for salaries, 138,000 for operating pressures, and \$100,000 for education; the fourth pillar, citizenship education, to work in concert with the \$100,000 from the Ministry of Education.

Mr. Quennell: — Okay. So there's in fact \$100,000 from Justice and \$100,000 for Education for the education, the new education programming.

Mr. Arnot: — Correct.

Mr. Quennell: — Okay. So \$200,000 for what's a cost-shared program between the two ministries?

Mr. Arnot: — Yes.

Mr. Quennell: — Okay. So the \$93,000 in new salaries over and above the previous year, why is that?

Mr. Arnot: — Well we anticipate supporting the second and third pillars with some additional staff.

Mr. Quennell: — Are these mediators?

Mr. Arnot: — Well we're exploring mediation, collaboration, and systemic advocacy.

Mr. Quennell: — The Bill before the Assembly anticipates a much greater role, and I'll just describe it as that, for mediation

and a shift really in the focus of the commission from adjudicating these complaints to mediating them, to use the language of the Act. So I anticipate that would require mediators. Ninety-three thousand dollars, I guess that's not more than one or two salaries, but is it? How many employees do you anticipate with the increased salary and how are those one or two people going to be assigned?

Mr. Arnot: — Well I can't answer that directly other than to say that we do have a part-time mediator in Saskatoon, half-time mediator, a point three mediator in Regina, and we hope to augment mediation with more people. Whether it will be full-time people or not I'm not sure, but it will be more people.

Mr. Quennell: — Ninety-three thousand dollars probably only buys you one more person.

Mr. Arnot: — Well I would say it probably buys you two more people in a full-time basis, but I'm saying that we're not sure exactly how we're going to do that. It may be that we'll have people that will work, more people working less than full-time.

Mr. Quennell: — One hundred and thirty-eight thousand dollars on what was called cost pressures. What is increased caseload, what . . . How is that \$138,000 going to be spent?

Mr. Arnot: — Well that's just ongoing operating expense pressure.

Mr. Quennell: — Resulting from?

Mr. Arnot: — Well it's resulting from . . . It's an ongoing problem that's been in existence for a number of years, and it's to address the increase in operating costs that we anticipate and to relieve pressures from the operating budget to be more reflective of what the operating budget actually is.

Mr. Quennell: — Well I don't want to belabour this point particularly, but I think a lot of areas of government could say that they could use another \$138,000 on the operating side. But I'm just wondering what those pressures are exactly.

Hon. Mr. Morgan: — We've had pressures across the ministry just with activity in a general sense. We've had pressures for prosecutors, for court workers, and just general levels of activity have ran up costs. We've got cost increases. I understand the rent increases across commercial space is some 26 per cent over the last year or two in government-rented spaces gone up. So there's a variety of different costs that are going to go on that. If you need, we can have one of the officials provide you with a more specific breakdown as to which specific items were increased.

Mr. Quennell: — Well I can be corrected if this is a wrong speculation, but I know for public prosecutions that the budget's going up by over \$1 million, almost 2 — I don't want to be rounding up any more. And I assume that that's additional prosecutors because of pressures. Is any of this \$138,000 additional people?

Hon. Mr. Morgan: — No, it's not. It may be some additional time. It may be some contract people to do some research or

some preparation work for the four pillars and cost of accommodation, travel, and other suchlike.

Mr. Quennell: — So we have \$200,000 for an education program. So of the \$300,000 that the minister mentioned in his opening remarks in respect to this programming, if there's actually \$100,000 and another \$100,000 coming from the Ministry of Education . . . So the \$200,000 is to develop curriculum. Or what is the \$200,000?

Mr. Arnot: — It's actually to move into the third phase of work that we've already done. Next year we hope to be able to do the following things: one would be to review the scope and sequence education indicators and outcomes document, which was delivered to us this March; second component would be to develop a citizenship essential learning document; the third component would be to develop a citizenship programming, which would be in-school activities.

Mr. Quennell: — So the . . .

Mr. Arnot: — That's a significant piece of work which will entail quite a bit of expense. The backbone is the scope and sequence education indicators and outcomes, but the most important document is the citizenship essential learnings document, which will essentially describe the resources that the teachers will be able to use in the classroom, the suggested resources, and more importantly, I suppose, the outcomes expected in each grade. And that document will be what eventually would move into phase 4, which is the development of the teaching plans and lesson guides for each one of the 14 grades in a pre-K to 12 [pre-kindergarten to grade 12] strategic pedagogy on citizenship.

Mr. Quennell: — Phase 4 will be waiting for another budget year for that, I take it.

Mr. Arnot: — Correct.

Mr. Quennell: — What were phases 1 and 2 that are . . . [inaudible].

Mr. Arnot: — Phase 1 was a review undertaken by SELU [Saskatchewan Education Leadership Unit], be like a literature review to . . . And SELU's the Saskatchewan Education Leadership Unit. The literature review would be, was done to analyze what types of materials and where these materials might exist. So for instance, they were identified as coming from Australia and New Zealand, United States, England, European Union, and Canada.

They also provided a document which outlined where in the existing Saskatchewan curriculum citizenship education could fit, in which grades and in which subject areas.

Mr. Quennell: — That was work completed in what years?

Mr. Arnot: — 2009-2010. There were two products delivered last fiscal year.

Mr. Quennell: — And the delivery of resources and teacher plans to teachers that would actually allow for the delivery to actual children of actual programming, is that anticipated to

happen in 2012-2013 or to take longer than that?

Mr. Arnot: — To take longer than that. It would optimistically be another three fiscal years but it may take, you know, another three or four fiscal years. It depends directly on the funding available to do the work.

Mr. Quennell: — And an ongoing commitment to the program past this year, obviously.

Mr. Arnot: — Yes. The more funding that's available, the more accelerated the program could be such that it would be in the classroom sooner. The next phase would entail the actual development of pre-K to 3 lesson plans and teachers' guides. But in addition to that, in the following years there would be similar materials for each one of the grades and then focus testing in the schools. And then the materials would be adjusted and become classroom ready.

Mr. Quennell: — As the government anticipates moving from the tribunal model to this mediation model that's set out in Bill 160, does the government anticipate any cost savings as a result of that change?

Hon. Mr. Morgan: — The cost of operating the tribunals would not exist, because the Court of Queen's Bench indicates that they would be able to absorb doing the hearings at no cost. So the costs that would continue would be counsel that would represent a complainant, preparation costs and other suchlike, but there would be no costs paid to a tribunal, a hearing officer, or a tribunal chair. Those costs would be gone.

Mr. Quennell: — Now I think the government — and I've heard this both from the Chief Commissioner and seen it in print in the minister's comments in a newspaper — anticipates far fewer human rights cases being heard by anybody. So I mean, I think the number of one or two or three a year in the Court of Queen's Bench. So there'd be the tribunal costs. So there obviously would be reduced legal costs because fewer cases are being argued. Now that would be balanced against the increased cost of mediation that's now the dispute resolution mechanism.

But has a number been put on what the government is anticipating saving in this fiscal year and other years going forward because the tribunal officers no longer exist and the legal resources to make arguments in many cases is no longer there?

Hon. Mr. Morgan: — The tribunal cost is 100 per cent savings. So if you look at previous years, that's a cost that's gone. A lot of the matters have been argued by staff solicitors, so those costs . . . [inaudible] . . . staff solicitor may have a slightly different role in negotiating or arbitrating settlements. There'd be, as you indicated, a trade off, that there'd be more money spent on mediation, arbitration type matters. But the significant saving would be from not having the tribunals exist anymore.

[21:15]

Mr. Quennell: — And what would that saving be on an annual basis . . .

The Chair: — Thank you, Mr. Minister, and your officials. Our allotted time of two hours and 15 minutes has expired and we will recess briefly until the next ministry comes in. Thank you, panel, members.

[The committee recessed for a period of time.]

**General Revenue Fund
Municipal Affairs
Vote 30**

Subvote (MA01)

The Chair: — Well thank you and welcome back to the Intergovernmental Affairs and Justice Committee. We're here for considerations of the estimates of the Ministry of Municipal Affairs.

Before we get into that, we have to table a document from the Ministry of First Nations and Métis Relations regarding questions raised at the meeting on April the 5th, 2011, relating to the detailed budget for the lands and consultation branch. So we will table that.

And with that, we will welcome the minister and we'll ask you to introduce your officials and make some opening comments if you so desire.

Hon. Mr. Hickie: — Thank you, Mr. Chair. I have a few brief comments. I'm joined today by senior officials for the Ministry of Municipal Affairs. To my left is Deputy Minister Van Isman. To my right is the assistant deputy minister, Keith Comstock. To my far left is Marj Abel, the director of financial planning and central management services. Over my left shoulder is Russ Krywulak, executive director of grants administration and financial management.

And if I can just have a little bit of leave, Mr. Chair, Russ has . . . Not just is Russ the best-dressed individual probably in the room tonight, one of the best, but this is his last time he'll be doing estimates as Mr. Krywulak has submitted his papers for retirement, and we accepted them. So I'm sure the members . . . Ms. Higgins has known Russ for many years, been around the building and stuff, so feel free to ask any questions of him tonight. I'll gladly defer them all because it's okay if Mr. Krywulak gets on the record one last time.

Next to Russ is Kyle Toffan, the director of grants administration. Back in the corner up there I've got Wade Armstrong, chairman, Saskatchewan Municipal Board; Sheldon Green, executive director of strategy and sector relations; and John Edwards, executive director, policy development.

So on that, I'll just have a few opening remarks and we'll get going. It's my pleasure to speak to the spending priorities outlined in the Ministry of Municipal Affairs budget for fiscal 2011-12. I'll begin with a few general comments and provide details of the ministry budget, and then we'd all be happy to address any questions the committee members may have.

Our ministry's budget will help define the Saskatchewan advantage. Our budget will build on the quality of life and sense of community that the province has always had by creating the

conditions for further economic growth and more opportunities in the future. Our ministry budget sees funding flow to municipalities for needed infrastructure. Through our funding agreements, our provincial government leverages federal infrastructure dollars and gets those dollars to municipalities in a timely way.

Our budget reflects the fulfillment of our government's promise on municipal revenue sharing. Municipalities will receive record revenue sharing of \$216.8 million in our 2011-12 budget, and that's a 29.5 per cent increase from last year. Our government promised municipal revenue sharing that grows with the economy, and we've kept that promise. The increase is to the equivalent of one full point of provincial sales tax and represents a 70 per cent increase or \$89.5 million in total revenue sharing since 2007-08.

Our government works with municipalities to help maintain and build momentum in our province to keep Saskatchewan moving forward. Let's look at the details. Overall our 2011-12 Ministry of Municipal Affairs budget is up 1.7 per cent over last year's to a total of \$388.7 million, including the Saskatchewan Municipal Board. Of this total, 374 million or 96 per cent is dedicated to grant funding for third parties, almost all of which is provided to municipalities. This aspect of the budget increases by 1.5 per cent in 2011-12.

The remaining 4 per cent of the ministry's budget, or 14.1 million, is used to deliver programs for the day-to-day operations of the ministry. That includes \$10.1 million for salaries, \$2.8 million in operating dollars, and \$1.2 million for accommodation. This aspect of the budget increases by 3.7 per cent from the 2010-11 budget. The ministry staff level has been reduced to 134.8 positions, all accomplished through attrition, except for one position.

In summary, the increase in the budget is reflective of increased funding committed directly to municipalities. Breaking it down further, the \$374 million in the ministry budget, which is dedicated to grant funding for third parties, includes 216.8 million in revenue sharing to municipalities, achieving the 100 per cent of one point of PST [provincial sales tax] as promised; 70.3 million to municipalities for municipal infrastructure investment; 57.2 million which flows through Municipal Affairs to municipalities from the federal gas tax program; 5.5 million allocated through the Saskatchewan infrastructure growth initiatives to cover borrowing costs municipalities incur for commercial and residential lot development; 3.2 million to municipalities for the transit for the disabled program, 9.6 million for the operation of the Saskatchewan Assessment Management Agency, and \$11.8 million for grants in lieu.

Looking more closely, as mentioned, municipal revenue sharing has increased to \$216.8 million. It is the highest amount of operational funding shared with municipalities by the provincial government in the history of Saskatchewan. It provides 138.7 million for urban municipalities, 62.9 million for rural municipalities, and 15.2 million for northern municipalities. It is the allocation provided and uses a formula based on the work and analysis the province has done with the municipal sector.

Municipal infrastructure investment is at 70.3 million for 2011-12 from federal-provincial municipal programs. Our

budget includes 57.8 million provided through the federal gas tax program. It reflects flow through of federal funding to municipalities; 57.2 million represents the flow through funding and 555,000 is for the administration. Our infrastructure funding overall represents our ministry's work to keep up with the demand in municipalities. The appetite for projects has been tremendous. In fact in the 2009-10 budget year, our ministry accelerated 77.7 million in provincial funding for needed projects to get dollars into the hands of municipalities to start or continue projects and take advantage of the upcoming construction season.

Overall in 2011-12 our capital investment commitment in our budget is 134 million, 113 million of which is flowed through from the federal government, leveraged by our agreements, and 21 million which is provincial. As mentioned earlier, 5.5 million is provided for the Saskatchewan infrastructure growth initiative for residential and commercial lot development, representing an increase of 3.2 million reflective of estimated funding requirements, including 375,000 resulting from regulation changes that introduces a recreation pilot program which will provide municipalities with interest rate subsidies for up to five years on 12.5 million of municipal borrowing to help develop recreational infrastructure to meet the needs of growing communities in surrounding areas.

Also 9.6 million is provided to support the operations of the Saskatchewan Assessment Management Agency. Grants in lieu of taxes are 11.8 million this year, a \$1 million reduction based on our best estimate of funding requirements, and 3.2 million is for the transit assistance for people with disabilities program, representing a 10 per cent increase over last year's budget.

Once again, the Ministry of Municipal Affairs 2011-12 budget is a strong budget. It is effective. It administers dollars wisely to help move our province forward and build on our Saskatchewan advantage. Thank you, and with the assistance of ministry officials, I'll be happy to address any questions the members want to pose now.

The Chair: — Thank you, Minister Hickie. And I just would ask if any of the officials, if you're answering questions, if you would just state your name initially for the record. With that we will commence with the questionings on the consideration of Municipal Affairs, vote 30 on page 117 of the main Estimates book. The Chair recognizes Ms. Higgins.

Ms. Higgins: — Thank you very much, Mr. Chair, and thank you to the minister for his opening remarks and for his officials for being here this evening.

Before we get into budget precisely, I just wanted to clarify something. I'd asked a number of written questions at the beginning of session, particularly when it came to purchase cards in the ministry. The question was directed to the minister and was specific to Municipal Affairs. And I guess the first part was, what were the limits of cardholder transactions that are set by the ministry? I was given the answer of, financial administration manual provides ministries the authority to set transaction and monthly limits.

Second question: are there any exceptions to the maximum transaction limits approved? So I guess, is there any exceptions

in the Ministry of Municipal Affairs to the limits set by the financial administration manual?

[21:30]

Mr. Isman: — Thank you for the question. To the best of my knowledge, there are no such instances, but we will confirm that and provide a written response.

Ms. Higgins: — Because in the written response that was provided it says, yes there are exceptions to the maximum transaction limits.

And then the third part of that question was, to what cardholders were the exceptions approved for 2009-10 and '10-11? And what I got for a response was, the attachment provides information on the approved transaction limits. But I got a basic photocopied page that doesn't have anything to do with Municipal Affairs at all, and I got this same response for every department. Some departments were on here, but there's absolutely nothing on here for Municipal Affairs.

So I guess part of the question is, I would like clarification if you could, please and thank you. But also I was surprised that Municipal Affairs would have responded with the names of other departments and an attached list. That took me by surprise.

Mr. Isman: — Again we will provide you with direct written clarification.

Ms. Higgins: — I would appreciate that. Thank you very much. And if you need to check questions, they are in *Votes and Proceedings* and what was tabled as responses for each question, so you can check whatever is there. Thank you very much for clarification on that, and I look forward to the responses coming through from the ministry.

One of the questions that I wanted to touch on today was the whole process of the housing plan that was announced in conjunction with municipalities. And I realize housing is through Social Services, but this is in partnership with municipalities. So what role did Municipal Affairs have in establishing the announcement that was made in the budget?

Hon. Mr. Hickie: — Thank you for the question. Well in regards to housing, ministry officials, the deputy will answer their involvement. I had no role to play in the housing issue. The Minister Responsible for Social Services and Sask Housing consulted with SUMA [Saskatchewan Urban Municipalities Association] and SARM [Saskatchewan Association of Rural Municipalities] in the development of the program and rolling it out. And that was after talking to myself, I advised her that I could help her with that or she could do it herself. And so she wanted to talk to them herself, so with all due respect to my colleague I said, that's fine. I have no issue with that. But the deputy will tell you how some of our officials did in fact have some role to play in some of the housing that's been going on for the upcoming summit especially.

Mr. Isman: — From time to time we've heard certain comments with regards to housing that we've conveyed to our colleagues at the Saskatchewan Housing Corporation through

Social Services, and we've conveyed those on, that information. With regards to the forthcoming housing summit, in order to facilitate interaction with the municipalities, we do have representation on the planning committee but that's for the specific summit. In relation to the announcement that was made earlier this month, we have not had direct involvement.

Ms. Higgins: — Do you mean the announcement of, after the budget, the loans for developers?

Mr. Isman: — That's correct.

Ms. Higgins: — So the \$1.7 million that was the housing initiative announced in the provincial budget, how will that be applied? And will it flow through Municipal Affairs or not at all?

Hon. Mr. Hickie: — Not at all. It'll go through Sask Housing.

Ms. Higgins: — So I'm better off to ask Sask Housing questions than I am Municipal Affairs?

Hon. Mr. Hickie: — Yes. You're better off to ask the Minister of Social Services on that or have one of your colleagues ask how that money will be expended, what the procedures are in place for that to be expended.

Ms. Higgins: — Okay. I'm somewhat surprised that Municipal Affairs wouldn't have had a bit more of a role to play in this because you are attaching a great deal of a responsibility or the government is attaching a fair bit of responsibility to the municipal sector for the development of housing. So you've taken . . . I think you might get out early tonight if you're not going to answer any housing questions. But I'm sure we can find something.

I do want to say though that there is some concern from municipalities that I've spoken to since the announcements were made that there is concern out there that too much responsibility, it's more downloading onto municipalities, that while they understand that they have always been partners in housing, that this puts a fair bit of responsibility and a fair bit of planning and expertise onto municipalities that they may not have. So just wanted to pass that along.

Okay, get through this quick. Okay, and here's another one. The multi-material recycling: Environment or municipalities?

Hon. Mr. Hickie: — Environment.

Ms. Higgins: — Environment. So has there been any discussion with the municipalities on the representation on the board?

Hon. Mr. Hickie: — I do know at SUMA that there was a question posed to the Minister of Environment about that. I can't tell you what the answer was. I think he said he'd get back to them. And I really don't know what's going to happen on the composition of the board. The Minister of Environment will be working with the municipalities on that one.

Ms. Higgins: — I just checked the budget, you still get paid the same as the rest of them. It looks like you're getting off easy.

Hon. Mr. Hickie: — I do have a lot of money going through the budget to manage, do I not? For grants and such, programs.

Ms. Higgins: — I mean there is, all these things do attach to the municipalities, and I know there was concern that how this was being structured. So I guess, Mr. Minister, do you feel that it is part of your responsibility to act as an advocate also for municipalities when it comes to initiatives that are going forward in government? I mean that's I guess the way I would see it, that while municipalities in particular don't have a voice at the table, I would see that almost as part of your role?

Hon. Mr. Hickie: — Absolutely. When I did the . . . when I was appointed in June, my first role was to tour the province, talk to the mayors and communicate with them and the Reeves as I was doing this job. And I made it clear to them that our government believes in direct lines of communication with respect to ministers that are having files that pertain to municipalities, but I am their advocate at the table, and if they find themselves unable to get a response or to get a direct line of communication with the minister or minister's office, to please feel free to call myself or my office.

And you know, I'll have to say that the roles that the ministers have in our government are ones of really open, direct communication with the municipal officials. And to date I've had no inquiries, no direct inquiries or concerns to a specific . . . Well I have had some inquiries to the multi-material recycling program, but we passed them on to the Minister of the Environment because that minister knows how that program is going to be funded and rolled out. Some inquiries were made on the housing. Again those were put to the Ministry of Social Services, Sask Housing Corporation.

Those ministers know the file and how they're going to expend their money. Although we are an advocate and we have forwarded some concerns we have taken, I have talked to my colleagues when I've had direct contact with SUMA and SARM at their conventions. We've always had the opinion that the ministers who know the files best are the ones that will deal directly with the municipalities and the leadership. But I have been there to advocate and bring the communication forward where there's been some breakdown, for lack of a better word.

Ms. Higgins: — Thank you very much. I'll have to keep my eyes open for the other estimates then to be able to visit them. How about SAMA [Saskatchewan Assessment Management Agency]? SAMA does fall in your jurisdiction most definitely, and it does appear in the budget.

Question: I know I have seen a number of letters from municipalities that are looking at — and a fair bit of conversation — that when we look at the lag time in the assessment and reassessment and how it's done in the province of Saskatchewan, are you looking at any process to be able to move that to a two-year re-evaluation and maybe make it more current and up to date? Because our next re-evaluation — in what, 2013? — will bring us up to 2011. Is that the way it works? No, it won't even be to 2011, will it? It'll be to '09.

Hon. Mr. Hickie: — It will be January 1st of '09 . . . [inaudible interjection] . . . January 1st, 2011. Yes.

Ms. Higgins: — It will be 2011.

Hon. Mr. Hickie: — Yes. We've had some conversations and consultations with SUMA and SARM. And when this was coming around, there was concerns raised as well. We heard them. We asked for a consensus from two organizations who utilized SAMA, and there was a lot of uncertainty from both parties as to how to make this work in their best interests and how make it reach a consensus for the province. So we put it to the officials to work and to do some consultation across Canada to see what's happening.

And on that answer, I'll let it go to the deputy now. And he'll give you some insight as how we're working with this, with SAMA, to look at the restructuring and what's going to happen in the future.

Mr. Isman: — Thank you. Van Isman. Once again we looked for some consensus here and really didn't see any coming forward. There are certainly some of the cities in particular . . . A few of the cities have spoken about the desire to see a shorter revaluation cycle rather than the four-year that we've had for a number of years now.

But we've also watched carefully what's been happening in a number of other jurisdictions. And certainly some places that have had shorter cycles, like a one-year revaluation cycle like we've seen in British Columbia, where they got into some problems in that regard with volatile real estate markets. And we saw what happened in Ontario recently where they shifted from a one-year revaluation cycle to four years.

So until we have consensus coming forward from the municipalities, largely the direction that we have heard and what we've received has been to hold the course of the four-year cycle.

Ms. Higgins: — I've also heard concerns that the lean process that you are applying across government will also be applied to SAMA and that there is concerns that positions will be lost from the organizations.

Hon. Mr. Hickie: — With this year's budget being held at the status quo, we recognize that, you know, there are priorities within government, and we looked at from last year's position to this year. SAMA has done an excellent job in meeting the demands imposed upon them. And the priorities in government still have to be considered moving into this year's budget. And because of the great work that the SAMA officials have been able to conduct and do, with what happened last year, we came to a consensus that we would hold their budget status quo. Now we also have asked SAMA to do an internal look at what . . . how best managing their needs. I'll pass that on to the deputy on the lean process for sure because deputies are in charge of that within ministries. But in SAMA's case, right now they're going to manage status quo. They have vacancies for various reasons for leaves. They'll manage through vacancies right now and keep on still meeting the needs that are placed on them by municipalities. So I'll let the deputy talk about the lean process.

But you know, in last year's budget there were reductions. This year it's just status quo, so we're asking them to manage with what they have. And the word back was they'll look at doing

vacancy manage right now because people are on various types of leave. So I'll hand it over to the deputy now to answer the rest.

Mr. Isman: — In relation to your question pertaining to lean, SAMA was one of the leaders of introducing lean in government overall. And in fact much of the work that the Ministry of Health did, who were the first of the main ministries within government to adopt lean as a practice, was knowledge that they gained from SAMA.

SAMA has very graciously and generously shared some of their expertise with our ministry, with Municipal Affairs, and has actually provided training to approximately 20 employees of the ministry in terms of how to go about lean value stream mapping and the like. So SAMA's actually very much a leader in lean.

[21:45]

Ms. Higgins: — So then the reorganization that took place, I guess accompanied with budget reductions for . . . I know there was special funding that was in place for technology upgrades in 2010, so then they're kind of established the way they are. Is that fair to say? And we don't have to worry about . . . I mean the concern that was expressed to me was that SAMA is going to be going into or going through the whole lean process. There was concern that there may be positions lost and that there would never be an opportunity, if we start to reduce or peel back SAMA, there would never be an opportunity if it was viable to move to the two-year valuation and to become more current in the province of Saskatchewan. So maybe I'm kind of rolling up a number of concerns that come from a number of different areas, but some clarity would be helpful.

Hon. Mr. Hickie: — Well I can answer. I'll start by answering part of that, I guess. Again I'll pass it off to the deputy for a little more in depth on the lean process. SAMA had applied lean long before the Ministry of Health did, so SAMA . . . and the Ministry of Municipal Affairs. So SAMA applied lean initiatives already. So if you're talking about previous budget years, of course I wasn't here, so I won't answer, I can't answer those questions.

But in this current year, the lean process has already been enacted on SAMA, and these funding requirements for this year are status quo funding, are just that, with the current augment of staff that are in place. And the need for ongoing technical support as such as requested by the officials from SAMA were taken into consideration. But this year the budget's status quo. But I'll pass off to the deputy to talk about the lean process was fully enacted already.

Mr. Isman: — Thank you, Minister. The movement to a shorter evaluation cycle would be a decision reached by government and then worked in collaboration with SAMA. And if that decision was reached, there would probably be a need, especially during the implementation period, for some incremental resources for SAMA. But I don't see that as being the real stumbling block of moving to a two-year re-evaluation cycle as far as capacity within SAMA. My sense is, is that's a decision that government would need to reach and then direct SAMA to move in that direction. And as far as SAMA's concerned, they would then need to look to acquire incremental

resources or perhaps shift resources around within the organization.

Ms. Higgins: — Mr. Chair, I've been joined with one of my colleagues that has a number of questions that he would like to address, so I'll let him go ahead.

The Chair: — Thank you, Ms. Higgins. Mr. Belanger.

Mr. Belanger: — Thank you very much, Mr. Chairman, and thanks to my learned colleague for her gracious allocation of time for some very important questions.

Just very quickly, Mr. Minister, again welcome to you and your officials. And my questions are going to basically relate to northern Saskatchewan, just got a bunch of questions that I have and just for the recap. And obviously there's a number of communities that have either gone to a different status in terms of hamlet versus village versus town. Can you give me just an update as to how many towns and villages and hamlets that are currently considered as part of the northern municipal Act?

Hon. Mr. Hickie: — We'll let the assistant deputy minister, Keith Comstock, answer that question. He's responsible for the northern municipalities.

Mr. Comstock: — Thank you. My name's Keith Comstock. There are 24 incorporated municipalities that operate in northern Saskatchewan — I'll need to get back to you with the exact breakdown between hamlets and villages — of course the two northern towns, La Ronge and Creighton. And then the other 22 are a combination of villages and hamlets and settlements that I can get back to you with a written answer on what the breakdown is. But 24 in total.

Mr. Belanger: — All right. Thank you very much. It'd be nice to have the breakdown. And obviously I think one of the things that I always thought would be a great idea . . . And I think maybe it's much like the golf game when the ball's only about 2 or 3 feet from the hole; they call that a gimme.

But this whole notion of a gimme in terms of changing the status of northern Saskatchewan communities, I thought it would be a good idea when I noticed that your designation of Meadow Lake and I think it was Martensville and a few other larger centres became designated as a city. And we certainly, you know, thought that was great for them, and obviously the discussions with the city caucus in terms of the funding and so on and so forth. And that of course is a new dynamic to that kind of relationship, you know, with other cities. But I'm sure Meadow Lake and other . . . and Martensville, you probably certainly hold their own in terms of discussion around the funding and the agreement with the other cities that have been around for awhile.

And along the lines of a gimme, I thought it'd be also a nice touch if from the northern perspective, as opposed to calling some of these communities villages, it'd be nice to call them community or town without the responsibility that we'd typically see in a town. Because obviously La Ronge and Creighton are considered as part of the southern municipal Act, I believe, because they're considered towns. I'm pretty certain of that. I'm not certain if . . . There's a certain relationships that

they have. With their designation as the town of La Ronge, they would have certain . . . I believe policing costs are part of it. So they mimic the southern model in terms of designation for the town. So there is some ramifications if you change the designation of certain municipalities.

But I'll give you an example. Like the community of Buffalo Narrows, the community of Beauval . . . La Loche has got about 3,500 people. And we make reference to these communities as the northern village of Beauval when there's 1,200 people that live there. You know, people don't perceive themselves as a small village per se. Now going back to my analogy of the gimme, is there anyway that just for marketing purposes and for the prestige of being called other than a village — a lot of these northern communities, I think, would like to see that — so either northern community or northern town without the responsibilities attached to it. It would be a nice touch.

So my only point is if you're able to do the city designations for Meadow Lake and for Martensville, doing a designation from a village status or designating these communities as villages to a community, that would be, you know, a nicer ring to it, so to speak. And they can certainly help with their marketing. Because if I'm calling from the northern village of La Loche and there's 3,500 hundred people in that community, I think it would be better if I were to call from the northern town of La Loche. This has a nicer ring to it and certainly has a bit more prestige to it.

Was that ever considered when you guys looked at this and made Meadow Lake and Martensville as a city?

Hon. Mr. Hickie: — I'll start off, John Edwards will follow up with a much more detailed answer. When the Act was changed, *The Northern Municipalities Act* was changed, the designation of northern was removed from that particular . . . So the designation is not just have a northern and a southern. It's all the same now.

The logistics of the town versus village, I understand there's thresholds have to be met and then the local officials can ask for that to be changed. But I'll let John Edwards answer that for you.

Mr. Edwards: — It's John Edwards. First off, in your question you referred to the northern municipalities being under different statutes. That's no longer the case. All of the northern municipalities are now under *The Northern Municipalities Act*. That was one of the choices that came out in preparing the new statute. It was a preference that was expressed by the municipalities themselves.

Second, in the discussions around preparing the new Act, the focus was on being considered to simply be a regular town or village as opposed to the designation of northern this or northern that. If a northern municipality like La Loche, because of its size, felt that it wanted to change status under the northern Act, there's certainly procedure and there's thresholds. All they'd have to do is ask, and we would take a look at it and compare whichever municipality was asking that question with the thresholds.

Mr. Belanger: — No. I guess, they're not asking me as their

MLA [Member of the Legislative Assembly]. I'm just saying that from the perspective of the northern communities per se, you know, village, I think with all due respect to villages, but having a village status, a lot of people in the northern communities that have populations of 1,500, 2,000 people — and there's probably about maybe 10, 15 of them — you know, being called a town is a much better stature for them.

And the same consideration went into putting Meadow Lake and Martensville as a city. I'm sure there was a bit of a stretch in terms of the population numbers and pushing that agenda. And I'm just saying from the perspective of going from a village to a town, from the northern perspective, are we able to have that stretching out, so to speak, in terms of the designation, without any more of the added responsibilities, primarily for pushing their own marketing plans, perhaps their own image of their own community, so to speak. So as opposed to changing the Constitution of Canada, I'm just saying can you change the designation of some of these communities simply from a village to a town without having any major ramifications?

Hon. Mr. Hickie: — Well Mr. Edwards has already answered that question. Now to go back to Martensville and Meadow Lake, there are thresholds to become a city. And right now we know Warman was actually at that threshold. They chose not to. So I believe they're going to reconsider that option moving forward now. So the thresholds are established for the purpose of the local officials to then deem if they wish to take that on or not and wish to move on to their next designation, as I understand it. I don't think I have to say more than John. That pretty much hits it. There's levels that are met. Councils will decide if they wish to change designation, as long as they've met their levels.

Mr. Edwards: — Yes. I guess the one point I would add is at this point in time we hadn't really heard anything further on this kind of concern from northern municipalities. If it was something that they want to raise and discuss with the ministry, we're certainly open to doing so, as we would have been if it had come forward in the preparation of the new Act.

[22:00]

Mr. Belanger: — The other question I have just in relation to the northern communities in general: they have unique challenges; I think we all recognize them in terms of the tax base, the unemployment, the fact that they're further north with the sporadic services, and kind of the list goes on. It's a tremendous responsibility that many northern councils and mayors are taking on as individuals and as a council to do the work of municipal governance in the North. They're doing that work for themselves and for you.

I know, being a former mayor, I know some of the responsibilities attached to being the mayor and certainly being on council. And I served three terms as the mayor of Ile-a-la-Crosse, and the only reason I won there is I had a bigger family than the other guy, just for the record. I wasn't bright or hard-working or anything. It's just sometimes how these northern communities work.

But the fact of the matter is that there is a lot of challenges — a lot. And with the high unemployment rate, the tax base suffers

because if your local people, especially the elders, their priority is food, heat, medicine. Probably last on their list is land taxes and insurance on their house. So in that regard, many of these communities, northern communities struggle. The ones that are bigger, the bigger communities, they just have the economies of scale so they'll be able to do a lot of these things, you know, within their means. And certainly they have a number of tools that they could use. But some smaller communities have a difficult time in making ends meet.

Now in a worst-case scenario, if a community doesn't have enough land tax coming in, doesn't have enough service fees coming in, doesn't have enough of the resource revenue-sharing or the northern municipal revenue-sharing income coming in, what options do they have available to them to recover from a town that may be slowly financially dying? Is this a . . . Is there any kind of plan of action that you may have in relation to meeting that challenge head-on if it were to occur?

Hon. Mr. Hickie: — Well thanks for the question. It's a pretty broad question, so I think I'll just start from my perspective and I'll pass it off to the assistant deputy minister who's responsible for the North to give you some logistics I'm sure you're aware could happen in the future. And the ADM will follow up on those.

Now you talked about revenue sharing. There was also . . . So the government has given revenue sharing in northern communities. We've done the municipal economic enhancement program. We've also had the Planning for Growth initiative which the northern communities could have accessed if they so choose.

The northern round table in Prince Albert that I was able to attend and host with my colleague from — Minister Cheveldayoff — First Nations and Métis Relations, it's good and healthy discussion around the table involving different views and different circumstances. And I appreciate it. I can't profess to know anything about the North. I've never lived up in the North.

But they came forth with some issues and concerns that we had the Ministry of Environment there to talk about. We had some Ministry of Municipal Affairs officials there to answer some questions as well. And we know that there are some concerns moving forward, but the mayors were all very happy with the revenue sharing that they were going to receive to assist them. Not saying that's the saving grace for some of them because they brought up some of those concerns, and we know right now that there are some.

We made a commitment, Minister Cheveldayoff and myself did, and we made it on behalf of Minister Duncan as well from Environment, that officials should be able to or the local northern communities and northern officials, the elected officials should be able to talk to officials from the ministries and be able to get a response and get their answers very quickly. So we committed that, leaving the round table that day.

So as they see their conditions getting better or worse and they need assistance, to please contact our officials who will . . . and have to be there as well for them, not just a phone call to someone maybe in Saskatoon or La Ronge, but maybe have

someone actually follow up after that first contact from wherever. We want to do that better, to be sure. We need to make a better effort. So we take responsibility for that, and I do for Municipal Affairs. We have a pretty healthy office in La Ronge, but there's a lot of concerns that come into them. So we're going to have to do a better job making sure we meet those demands.

But that gives you the picture of what the government was doing, is doing, moving forward with a predictable revenue-sharing model. But I'll let Keith go into a little more discussion about what we don't want to see happen but the possibility of what could happen in the North if communities start to find themselves in financial situations. But Keith will follow up on that.

Mr. Comstock: — Thank you. It's Keith Comstock. And I found a piece of paper with the numbers on it that you asked in your previous question, so I can answer that now. The 24 communities that I spoke of originally — 2 towns, 10 villages, and 12 hamlets — and then there are an additional 12 northern settlements for a total of 36. Twelve northern settlements I didn't include in the first because that's the unincorporated part of the North that the province takes responsibility for.

I suppose in the worst-case scenario, if a northern community, no matter which one it was, got to the point where it was unable to sustain operations and was unable to provide the services that its citizens needed, that it could unincorporate and come underneath the current control and direction of the province. And of course in those situations there are local advisory committees that provide advice to us and we work with them to help provide an appropriate level of service and provide the things that they need on the basis as best we can.

That of course is something that we don't want to see happen. The staff of the northern municipal services branch provide advice and direction and consultation and services and resources to elected officials and their administrative staffs on an ongoing basis. And I think by and large you'll hear from elected folks in the North that they have a good relationship with our staff out of the La Ronge office and that we do our best, as do they, to try and make sure that the needs of their citizens are properly looked after.

I should mention that we are taking a specific tack with the municipal sector strategic plan, northern table. We are trying to move it from being a kind of a working table of officials the way they work in the South to be more of a secretariat to the northern municipal round table so that when northern elected officials and provincial elected officials get together and talk about what needs to happen, that there will be a set of officials there that they can pass those concerns and projects on to. And then we will work with them to come up with a strategy to try and come back with options for the elected to consider and ideas for them to try and help solve some of those problems.

We just had a meeting up in Beauval about a week and a half ago where two of my staff and I travelled up and met with officials from New North and officials from municipalities on the west side. We talked about a number of topics, recycling among them, and also some of the general capacity challenges that northern municipalities face.

So I don't think that anyone would dispute the fact that municipalities in general and certainly municipalities of the North face a variety and a myriad of challenges. But I think that the folks that are elected there, and I know their administrative staffs, work very hard. And we certainly made a commitment both financially and from a human resource side to do our best to help them to provide the services that their citizens need.

Mr. Belanger: — Okay. And I guess from my own perspective, I've only got a couple of more questions left and I'll hand it back to my colleague and thank her for her time, sharing her time with this committee work. But if I can from your officials, Mr. Minister, get a series of defensive measures or options available for a town to consider that may have had or may anticipate having financial trouble. You know, it's a game plan. Like even as a former mayor I don't know all the options available to me. Because we talked about the challenges of the North. And fair enough. We understand that there are unique challenges to the North. And there are very, very different financial hardships that these communities are suffering from. And they do a good job. The mayors and councils do a good job.

And I think at times the officials from the northern municipal branch do a good job in being flexible in co-operating with some of the northern communities. I think that's important. The flexibility's got to be there because if all the mayors and the councils in the North said, okay we're on strike, we're out of here, enough of this volunteerism, we're just not getting enough support — that would be impossible for any department to respond to. So we need to support and nurture these northern leaders, the mayors and councils, and certainly in the settlements and the hamlets and the villages.

So that being said, there's two things I'm going to take the minister up on. One is that if there's any community having difficulty in the North, that he's assured has to contact his office and he'll have the resources and the people there to help out. Not necessarily financial commitments to that particular community, but the advice and direction of his staff and full participation of his staff.

And the second thing of course is the . . . Also got from the minister is the fact that he would provide us with a series of defensive options to avoid financial ruin for any particular community, because I think our northern communities have to anticipate that. And we don't do a good job of anticipating what challenges may present itself to some of these northern communities, like if you have a water main break, you know, or if you have a series of electrical problems at a new water and sewer plant or some other crisis occurs.

A lot of these communities are in constant crisis management, and they're managing as best they can. So we need to know and we need to anticipate what could possibly happen and have the scenarios well understood and have a reactive, responsive, respectful staff that says, okay, we're going in there with a team; we'll work with you and get these things figured out. But we need to make sure those measures are there. Because even as a mayor, you know, if I had a problem, I'd just send my deputy mayor out to solve it for me, you see. But the problem is that we're not anticipating some of the potential problems that may come out.

And I'm seeing a lot of northern communities that are struggling financially. And even though we don't want to say it — because no community wants to get up at a New North meeting and say I'm struggling here, that's not the forum that they want to express their concerns — we need to, as officials, you need to express to them if you run into these difficulties, here are a series of measures you can undertake and to begin the process of making them fully aware what they need to do and how you can help resolve their problems.

Because we can look at tax rate increase, land tax rate increase. Well the people aren't paying their taxes because they can't afford to. That's not going to generate a whole lot of extra revenue. You look at the water and sewer increase. Again you know if they don't have the money to pay it, how do we keep raising the water and sewer rates if there's a lot of older people can't afford that? And you can increase services. Again when you increase services, somebody's got to pay for it. So a lot of times they look at these options that may be available to other municipalities in the province that aren't for the North. And you want to reduce costs. Well that means laying off staff. That means reducing your hours. A whole bunch of these things, and they're all added, it will all add to the demise of any community.

So my only option is the Municipal Financing Corporation. Is that an option? Is there an emergency fund within the northern municipal Act or the northern NAD [northern administration district]? Is there a team of advisors and officials that can go and help a community and provide them with, say, management or administrative support for a time being? Those are the kind of options that I wouldn't mind you guys spelling out for them because they know it. And while they don't anticipate it or they don't want it to happen, I don't think the anticipation is there for them to prepare for such an event.

[22:15]

And I reiterate that the northern staff have been very flexible and patient with the northern communities, and rightfully so because it's a huge challenge administrating the northern municipalities' role. And a lot of people, good people, are helping you with that job because they care about their community and they realize the responsibility.

And my final comment before I wait for your response is that we have a bunch of questions on New North's funding. I want to get some specific answers in relation to New North. I know they do get funding. I'm not sure if it's from your department, but I need to have those costs. And costs, I've got some questions in relation to the cost on that. But I'll wait for the next opportunity to do that. I'm not certain if you're back, but those are the final two comments I have.

Hon. Mr. Hickie: — Well I'm not sure if we're back either. I guess we'll find out. But it's okay, we can definitely, we can actually, yes, we can start looking into that.

You know, since having the honour and privilege of being the Minister of Municipal Affairs, the staff have been excellent in highlighting, flagging the . . . And it's municipalities throughout the province who may or may not be fully, you know, compliant with the certain standards and rules according to the

Acts.

I can talk about the North. Just recently we had the municipal economic enhancement program where some communities in the North accessed the funds. All we asked was just an updated report, quite some time ago in fact, to be sent in to us. What have you done with the money? They haven't done that, so we just sent them a letter saying okay. They've been talked to a couple times. We've given them a little more leniency because we recognize that there's a little bit more turnover maybe with administrators and with the elected officials for sure. We recognize that.

The staff in La Ronge office, I've had a chance to meet some of them. I find that they're very respectful for sure. They're very committed to the job. We also know that there are steps, that we've had some calls and some issues with local administrators and some councillors who wanted to have some questions answered. And they're always there for them and those . . . But your issue about, you know, a brochure or lines of defence, we'll do the standards I guess based on what we've had, what the officials have had — long before my time — and how they've inquired or acquired this knowledge.

But every situation might be different, so there'll have to be some wiggle room there because certain municipalities, certain northern communities, villages, towns will want to have some leniency, have a different approach than others. But we'll definitely be there for them. It's happened a couple times already since being the minister that there were some financial statements that weren't done properly, and we've assisted them. We've got outside assistance to go up to the communities to help with the auditing and help with the actual books to make sure that things were done properly because they were overwhelmed, to be sure, with the challenge.

So on that note, I'm going to pass it off to John Edwards because he'll have a little more detail on some of those defence mechanisms in place already and some of the steps that have come up through his very long tenure in Municipal Affairs.

Mr. Edwards: — John Edwards. The unique needs of northern communities certainly came up as a focus in the work that we did with northern municipalities to prepare the new northern Act. As you are aware, over the years there has been a considerable amount of concern expressed about just the kind of situation that you posed. In the past, we have created the northern municipal trust account and the management board.

Over the years, we've worked with the management board to identify various issues and concerns and have in fact established programs that are unique to the North, simply aren't available in the South — things like the circuit rider program for helping northern municipalities maintain their water and sewer program, initiatives like the emergency water and sewer program which provides funding for emergency water and sewer situations where there's a break or a problem that the municipality isn't in a position to respond to. There's again a unique northern program that's been funded from the northern municipal trust account for subdivision properties in northern municipalities.

And so those are examples of the kinds of initiatives that have

been put in place and that the ministry currently operates and in large measure as a result of the consultation with the management board.

In the process of preparing the Act, there were a couple of other things that were added. We now have a much expanded potential role for the Saskatchewan Municipal Board for northern municipalities. Previously that wasn't possible under the legislation. In addition to the ministry, they're able to step in and provide advice and assistance to northern communities. Lastly for a community that was in a really difficult situation, we've added an option where someone from the ministry could be appointed to, in essence, work with the administration and council on an ongoing basis for a period of time to try and stabilize them.

So those are all some of the things that northern communities could turn to in addition to the things that the minister and Mr. Comstock have raised previously.

Mr. Belanger: — I think one of the things that's important . . . Now my colleague has said you got 10 minutes; you might as well finish it off. I'll pay for taking her time later on.

But the point I would raise is that a good example of that is the certification necessary to become a town administrator. A person can go through the schooling, and they can certainly do their training and, over a period of time, get her or his certification. And 9 times out of 10, it's very difficult to keep them. Once they're certified, they'll want to move on to better paying jobs and maybe even move out of the community.

The problem you have is that when rural Saskatchewan faced the depopulation crisis of the '90s — I fear that may occur in northern Saskatchewan — but what rural Saskatchewan had, it still had a population base. It still had the mainstay economy of agriculture. It wasn't in great financial shape then, but at least they had that.

And these northern communities, you know . . . The process begins where you start seeing some of the northern communities suffer financially. It creates a lot of stress and strain and pull and tugs within any community. And some families will begin to wonder, you know, if we're having financial hardships in our community and things aren't moving, and we need a new water plant, and they're not getting. It starts to affect the psyche of any community, and that's why mayors and councillors are so important in the North because they're doing a lot of good work for their community.

And nobody's arguing that. But they need to be supported in a way, and I would suggest maybe — in recognition of the fact that there's these northern challenges — maybe having some kind of fund either attached to the NRSTA [northern revenue sharing trust account] or attached to some other municipal agreement where communities are having exceptional and unique challenges, financial challenges, to maintain their communities, that we kind of look at that because I'll give you an example.

When I became the mayor of my home community, you know, I was typical. I was 28 years old. And we knew we had some challenges as a community. Well we had a good administrative

team. And we took the advice of the administrative team, and we rebuilt the community. Not that the community was in poor shape because of the previous leaders, just that they had some challenges that we had to meet. And we made the concerted effort of rebuilding our financial position and doing what we needed to do to make it a better community.

Now what would have happened if I would have assumed the community as the mayor and there had been 3 or \$4 million in debt? Can that happen? Or if they're half a million dollars in debt? It would be very difficult for me as a new mayor coming in to say, well how could I figure this baby out? And I guess it goes to show you that some of the northern communities are facing that.

And then people say to me, well how can I recover from this? I've got a lot of things to do and a lot of work and some of the challenges were never met. I said well you should go get advice from the Sask Party government on how you assume a very prosperous province and claim credit for it. No, I'm just kidding. You should actually go and figure out how we could provide solutions and support and education to the people that may have this unique challenge. And having a serious pot of money available to them to help them recover from some debt or some infrastructure problem they've inherited, that's kind of what I'm thinking about right now.

Hon. Mr. Hickie: — Well your concern's definitely warranted. I know the officials have talked about the North on numerous briefings with myself since taking over as minister. They have done an exceptional job in working with the New North and with the northern municipal trust account for some of these specific issues you raise. In regards to some infrastructure demands, for sure, they actually have a bit of a project line. As needs have risen, they've also taken that kind of a timeline and seen exactly how they can meet those needs. They've done some tangible capital assets, knowing which communities need what at what time, and they definitely have a long list of projects.

The funding for the northern municipal trust account of course is all part and parcel for the northern communities only, but the revenue-sharing component we've increased this year. We're up to \$15.1 million from, you know, 11.6 last year. I don't know what the history was. I don't need to go there. But now, today, it's good. I mean I would think it is good.

It's used for unconditional money. A lot of them are using it for operating. Now to talk about, to touch on your question about some . . . as a new mayor per se or a council member . . . and maybe your community has got some debt load issues. Well they would have had to propose to the Saskatchewan Municipal Board an application for their debt load for whatever reason — a project. Some of them use it for capital. Some use it for other means. Now the Saskatchewan Municipal Board would have looked at what and how the community was going to pay it back, that loan, over a number a years before they would have approved it.

So if a new council, mayor, inherits a debt, the payment structure and the approval for that debt would have been given through the Saskatchewan Municipal Board. I would hope that the council leaving would understand that they were responsible

to pay that debt as the new council is to keep paying it off.

So given those kind of situations, with the northern municipal trust account in place and New North and working with the officials, I would have to argue that we've done, as a government . . . You've talked about the Sask Party government, so I'll just go there. We have increased revenue sharing for the municipal northern revenue sharing for, you know, for the most part, the northern municipal trust account which gives you unconditional operating assistance to northern municipalities. So there's that with the revenue-sharing component. We've been very helpful, but we still recognize there's needs up north that are very unique to the South.

But to touch on the administration and the administrator program, it's not just up north. There are administrators leaving down south as well. So there are some unique programs, I understand, in the North, that I think I'll let Mr. Comstock kind of finish off this answer because he knows more about what's available up north in support programs.

But I would argue that — and maybe we'll have another chance again to argue — that our government has done very well for the North in revenue sharing. And there's work to do. We're going to work with the northern leaders to keep talking. But they haven't raised that concern with me directly. So Mr. Comstock.

Mr. Comstock: — Yes, it's Keith Comstock, just wanted to make a couple of additional points about administrator training and the level of service that those talented folks give to their communities in the North.

We do know that there is turnover in these positions as there is in the South. And succession planning is something that councils are encouraged to do, and if a council wanted to take a serious look at that, that we would certainly be willing to sit down and help them develop a plan if they knew they were going to be in that situation or if they were worried that that was going to be the case.

We do know that of the 24 communities in northern Saskatchewan that do employ certified administrators, most of them have between 5 and 10 years experience in their communities, some of them as many as 15 and 20 years experience in their communities. Overall I think they're probably a more stable base of employees than what you generally see in the South. Many of the administrators are from those communities, and they stay there because that's home. That's not always the case and I'm not saying that there isn't an issue. What I'm saying is that they are dedicated to their craft.

In terms of training new administrators, we have worked quite diligently with New North and with those folks over the course of the last couple of years to develop a training program that's done by correspondence and developed a set of mentors and systems whereby they can gain the supervised work experience that is needed — the 1,500 hours or 1,570; the exact number escapes me at this moment — to become certified. And it's a really important thing for them to do that. There's all kinds of good reasons for having a good, certified administrator in your community — public safety concerns, financial concerns, providing good advice to council.

And just to close off, we would certainly agree that we want to keep those folks in those communities and help them do their jobs well. And again, if our advisor services staff can help in that area, then we wouldn't hesitate to do so.

[22:30]

The Chair: — Thank you, Mr. Minister, and thank you to your associates. This being 10:30, this is the allotted time, and we'll conclude our consideration of estimates for tonight. Thank you to the committee meetings and good night, this meeting is now adjourned.

[The committee adjourned at 22:31.]