



STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND JUSTICE

Hansard Verbatim Report

No. 13 — April 13, 2022

**Published under the
authority of
The Hon. Randy Weekes
Speaker**



Legislative Assembly of Saskatchewan

Twenty-Ninth Legislature

Hansard on the Internet

Hansard and other documents of the
Legislative Assembly are available
within hours after each sitting.

<https://www.legassembly.sk.ca/Calendar>

STANDING COMMITTEE ON INTERGOVERNMENTAL AFFAIRS AND JUSTICE

Mr. Mark Docherty, Chair
Regina Coronation Park

Ms. Betty Nippi-Albright, Deputy Chair
Saskatoon Centre

Mr. Gary Grewal
Regina Northeast

Mr. Travis Keisig
Last Mountain-Touchwood

Ms. Lisa Lambert
Saskatoon Churchill-Wildwood

Mr. Tim McLeod
Moose Jaw North

Mr. Greg Ottenbreit
Yorkton

[The committee met at 15:23.]

The Chair: — Welcome, everyone, to the Standing Committee on Intergovernmental Affairs and Justice. I'm Mark Docherty. I am the Chair. Sitting in for Betty Nippi-Albright is Nicole Sarauer. We've got Gary Grewal, part of the committee; Terry Jenson is substituting for Lisa Lambert; Greg Ottenbreit; and Tim McLeod. I think I've got everybody. And with me of course is Anne Drake, who's going to keep me, well, sort of honest, eh? As best as we can.

So this afternoon, the committee will consider four bills for the Ministry of Justice and Attorney General. Tonight we'll consider the estimates for Government Relations.

Bill No. 71 — *The Insurance Amendment Act, 2021*

Clause 1

The Chair: — We'll begin our business today with consideration of Bill No. 71, *The Insurance Amendment Act, 2021*, clause 1, short title. Minister Wyant is here with his officials.

As a reminder, officials, please state your name for the record before speaking, and please don't touch the microphones . . . Yeah, well go ahead, Mr. Minister, go ahead and touch your microphone. The Hansard operator will turn them on for you when you speak.

Minister, please make your opening comments, introduce your officials. And I'll give the same opportunity for Ms. Sarauer.

Hon. Mr. Wyant: — Well thank you very much, Mr. Chair. My officials: to my right, Darcy McGovern, Q.C. [Queen's Counsel], director of legislative services; and to my left, Janette Seibel, executive director of insurance and real estate from the FCAA [Financial and Consumer Affairs Authority].

Mr. Chair, I'm pleased to offer an opening remark with respect to Bill 71, *The Insurance Amendment Act, 2021*. This bill amends *The Insurance Act* to codify a recent Court of Appeal decision respecting the limit on the amount of funds that can be held in side accounts for insurance policies. Mr. Chair, a side account is an account associated with a life insurance policy that can be used to hold funds to pay for future costs of insurance, premium taxes, and other administrative fees or charges for that life insurance policy.

In 2018 the regulations under the former Saskatchewan insurance Act were amended to implement a limit on the amount of funds that could be held in a side account. The equivalent section was also inserted into the regulations under the new insurance Act that came into force in 2020. Mr. Chair, investors have challenged the application of this limit to existing contracts of insurance.

In 2020 the Saskatchewan Court of Queen's Bench held that the limit in the regulations only applied on a foregoing basis to life insurance contracts that were entered into after the regulations were amended in 2018. In early 2021 the Court of Appeal reversed that decision and held that the limit in the regulations applies to all existing life insurance contracts, including those

contracts that were entered into before 2018. So in October of 2021 the Supreme Court of Canada denied leave to appeal that Court of Appeal decision.

So Mr. Chair, limiting the amount of money that can be deposited into side accounts associated with life insurance contracts protects both the insurers and consumers.

The amendment will bring Saskatchewan's Act in line with other Acts of other jurisdictions that have implemented this limit and will ensure that side accounts continue to be used in the manner which they were originally intended to operate.

So with that opening comments, Mr. Chair, I welcome any comments with respect to Bill 71.

The Chair: — Thank you, Minister. Any opening comments for yourself, Ms. Sarauer, and then the floor is yours.

Ms. Sarauer: — Thank you, Mr. Chair. And thank you, Minister, for your opening comments. I have a few questions with respect to this bill. The first one being whether you could describe how the changes in this legislation compare to similar legislations in other provinces.

Hon. Mr. Wyant: — Since the Saskatchewan regulations were updated, there's five other provinces that have updated their legislation with respect to this specific issue. Alberta, New Brunswick, Nova Scotia have equivalent Acts that have all been amended to provide for retrospective limit on side accounts. The Ontario Act applied to all existing insurance contracts, but there's a cap with respect to that.

So there's a number of other provinces that have brought forward similar legislation to restrict the amount that can go into those accounts.

Ms. Sarauer: — Okay, you mentioned some amendments in other jurisdictions. When were those amendments passed?

Mr. McGovern: — Since we introduced our regs.

Ms. Sarauer: — So Saskatchewan was the initial change-maker in this area?

Hon. Mr. Wyant: — Well we introduced regulatory changes to this back in 2018, and so now what we're doing is we're simply just codifying the decision that came out of the Court of Appeal and putting it into the legislation.

Ms. Sarauer: — You mentioned in your opening remarks that this will allow side accounts to continue to operate in the way they were originally intended to operate. Can you provide an explanation as to how they were originally intended to operate?

Hon. Mr. Wyant: — Well I think I'll ask Ms. Seibel to kind of comment on it, but originally they were kind of created to deal with the future costs of insurance and premium taxes and other administrative fees. I think I made those in my opening comments.

The challenge was of course that with the low interest rates and

fixed interest rates in these insurance policies, investors were making significant investments into these side accounts. And the view was that that wasn't the original intent of them and certainly challenged those returns that the insurance companies would have had to have paid under those side accounts, the interest. Janette, did you want to say anything else?

[15:30]

Ms. Seibel: — Janette Seibel from the Financial and Consumer Affairs Authority. Just to kind of add to what the minister said, those accounts were originally meant to hold premiums that were used and an amount to cover administrative fees for those policies to keep them in force while also keeping them in compliance with income tax legislation. There's certain income tax-free benefits or savings that can be realized if they're capped at a specific amount within the policy. So these side accounts were used to administer those fees, allow for movement in and out of the policies.

They had a fixed rate of return attached to them and some investors saw that as an opportunity to make an income off of them above and beyond their utility in relation to the policy itself. And so they made attempts to make large deposits into those accounts which the insurers then rejected, and the dispute arose about what was the purpose of those actual accounts associated with those policies.

Ms. Sarauer: — Thank you. Minister, in your opening comments, you mentioned that these amendments will better protect insurers and consumers. Could you elaborate on that?

Ms. Seibel: — Sure. We see this as protecting consumers because it ensures that insurers are carrying out activities that they're regulated to carry on. So insurers aren't regulated to carry on deposit-taking activities. They're not regulated in a way to ensure that they remain solvent if they're accepting an unlimited amount of deposits. So if they start taking on activities that they're not being regulated for, it introduces a level of risk to their solvency and to their stability, which then of course puts all insureds at risk if they have policies with that insurance company.

So by clarifying I guess what you would call like the insurer's lane, that they're supposed to be issuing insurance policies and not necessarily investments that they're not regulated to offer, we can ensure that they stay stable and consumers stay protected.

Ms. Sarauer: — Thank you. Minister, can you describe to the committee what consultations were done with respect to these legislative changes?

Hon. Mr. Wyant: — I'll let Mr. McGovern answer that.

Mr. McGovern: — From a consultation perspective, unlike for example the lease piece of legislation that we're going to be talking about fairly shortly, what we were doing with this bill is codifying very specifically a decision of the Court of Appeal which we felt was an endorsement of the existing policy and legislation.

So it wasn't a piece that we did consult broadly on. We're certainly aware that the Court of Appeal and then subsequently

the denial of leave to appeal by the Supreme Court of Canada occurred in a very public way. We haven't had any sort of drastic reaction to that, but it wasn't the kind of piece that we consult broadly on.

Ms. Sarauer: — I understand that this is as a result of a Court of Appeal decision, as you described, Mr. McGovern. And just to confirm, you said there hadn't been . . . The ministry hasn't received much reaction to that decision and these changes?

Hon. Mr. Wyant: — We haven't had any formal pushback or comment with respect to the decision that was made by the Court of Appeal. Certainly I think it was expected that the government would move forward with formally codifying that decision, and we waited to make that decision until after we knew that the Supreme Court had denied the leave. Certainly if the Supreme Court wouldn't have denied leave, we might be in a different position today. But the fact is that we thought it was important to codify to make it clear to everyone in terms of what the intent of those side accounts was.

Mr. McGovern: — And it's supported within the industry, of course. With the Canada Life and Health Insurance Association, for example, there, you know, had been an ongoing discussion there.

Ms. Sarauer: — Thank you. No further questions.

The Chair: — All right. Thank you all. Seeing no further questions, we'll proceed to vote on the clauses. So clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 1 agreed to.]

[Clauses 2 and 3 agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Insurance Amendment Act, 2021*.

I would ask a member to move that we report Bill No. 71, *The Insurance Amendment Act, 2021* without amendment.

Mr. Grewal: — I do so move.

The Chair: — Mr. Grewal moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Any closing comments, Minister, on this Act?

Hon. Mr. Wyant: — Perhaps I'll just reserve my final comments to the end, Mr. Speaker.

The Chair: — Ms. Sarauer, you got anything, or do you want to keep going?

A Member: — It's too late. He didn't recognize you. Next one.

The Chair: — We might have to . . .

A Member: — I have some stuff I want to put on the record.

The Chair: — I'll put this on the record that we're going to remove Mr. Ottenbreit.

Bill No. 72 — *The Life Leases Act*

Clause 1-1

The Chair: — All right, let's move on to the consideration of Bill No. 72. We'll now consider Bill No. 72, *The Life Leases Act*, clause 1, short title. Minister Wyant, please make your opening comments and we'll turn it over.

Hon. Mr. Wyant: — Thanks very much, Mr. Chair. With me today to my left, Rachel Haack, Crown counsel from legislative services; and Darcy McGovern, Q.C. to my right, director of legislative services.

Mr. Chair, I'm pleased to offer some opening remarks with respect to Bill 72, *The Life Leases Act*. Mr. Chair, this new legislation was recommended by the Law Reform Commission of Saskatchewan after a request for consideration of the subject which was made by my office. Life leases are currently substantially unregulated in this province. The majority of life leases are held by and marketed to senior citizens. This bill will create a framework of minimum standards that apply to lease operators and those entering into life leases.

Mr. Chair, the bill will require financial disclosure information to potential leaseholders before a life lease is signed. This will allow the leaseholders to understand and prepare for any financial obligations arising under the lease. The bill will require a receipt to be made out to a leaseholder for any pre-lease payments or entrance fee that's paid. The bill prohibits certain application or processing fees from being charged to a leaseholder, similar to the prohibition set out in *The Residential Tenancies Act*.

A leaseholder has 10 days after signing a life lease or assignment to cancel the life lease for any reason. This cancellation option will allow perspective leaseholders to avoid being bound by long-term life leases as long as notice of cancellation is given within this reasonable period of time. The lease operator must inform the leaseholder of these cancellation rights in every life lease and offer to lease.

Lease operators will be required to maintain funds for the benefit of leaseholders. For example, a reserve fund will be established which is to be used to fund repairs to a life lease complex. A refund fund is required if some of the entrance fees paid by the leaseholder are refundable. If a residential complex is under development when the life lease is signed, a trustee will hold funds paid by leaseholders until certain requirements are met. Additionally if a leaseholder does not receive a rental unit within 60 days after the stated projection completion date, the leaseholder can cancel their life lease unless an extension for completion is mutually agreed upon.

Mr. Chair, transparency is important when lease operators and leaseholders are entering into long-term life lease agreements. This bill will foster engagement and transparency by requiring

annual meetings and allowing a leaseholder representative to attend meetings of lease operator-owners. Offences and penalties will apply if the Act or regulations are breached. Additionally any person who makes false or misleading statements to perspective leaseholders may be held liable.

The bill will balance consumer protections while allowing for flexibility in life leases and freedom of contract. Life leases are an innovative housing option for Saskatchewan residents, and this bill will continue to foster further market innovation in Saskatchewan's housing market. So, Mr. Chair, with those opening comments, we're happy to answer any questions.

The Chair: — Thank you, Minister. Ms. Sarauer, any opening comments? And then the floor is yours.

Ms. Sarauer: — Thank you, Mr. Chair. And thank you, Minister, for your opening comments. Let's start by talking about the Law Reform Commission report and the process that they went through to come up with that report and subsequent recommendations. Could you put some comments and information about that on the record, please.

Hon. Mr. Wyant: — Well this issue is kind of . . . We have received a number of pieces of correspondence from leaseholders and lease operators around this area, so I had asked the Law Reform Commission to look into the matter and prepare a report, which they were kind enough to do. And so that really forms the basis upon which this legislation was prepared by Mr. McGovern and his staff over at legislative services.

It's a fairly comprehensive piece of legislation, as you're well familiar with legislation on *The Condominium Property Act*, for instance, that protects people in those kinds of circumstances. We felt it important, given the expanding area of life leases in Saskatchewan, that we provide a certain measure of consumer protection to those people. But as I say, this really came as a result of a number of concerns that we had received, and that's why we asked the Law Reform Commission to proceed.

Ms. Sarauer: — Thank you. And I know my office had received some concerns back in 2016, I believe, and had corresponded with your office with respect to that. And then subsequently, as you mentioned, the Law Reform Commission did their good work and their report. Could you provide some information on the consultative work that the Law Reform Commission did leading up to their report.

Mr. McGovern: — Thank you, Mr. Chair. The Law Reform Commission process in this case was started with an initial consultation report which was provided to, as usual, the key stakeholders as well to members of the bar asking for general comments to a series of questions that they outlined.

The starting premise for their inquiry was that we have *The Residential Tenancies Act*, which applies very specifically and very prescriptively to residential tenancies. We have *The Condominium Property Act*. What's appeared to be a gap, and this was the area that the Law Reform Commission was looking into, is the life lease circumstance. It falls in between those and is essentially an unregulated area right now.

Given that life leases are an attractive and, as the minister had

mentioned, innovative area particularly for seniors, that having it be entirely unregulated was part of the concern I think that was raised both initially by the minister in the mandate letter as well as by the Law Reform Commission in asking the stakeholders to do that.

So initially there was a consultation report. The LRC [Law Reform Commission] prepared a set of tentative recommendations to seeking further comments with respect to those recommendations. And then they prepare a final report which is provided again to the minister and then to the bar as a whole.

In their process, they focused on organizations like the Saskatchewan Seniors Mechanism, the Saskatchewan Seniors Association as organizations which they specifically provided copies to and sought requests, as well as the life leaseholders that they were able to identify in that process.

The conclusion they reached largely with respect . . . throughout that process was that legislation would be useful but that largely it should be aimed at codifying what was already viewed as being best practices in the field. And so rather than a radical reset for the industry, this is intended to recognize best practices, but to provide a backstop of consumer protection as the minister indicated.

Hon. Mr. Wyant: — It certainly wasn't intended to . . . You know, most life lease operators are very good operators. But we also know that not all seniors are vulnerable, but they're a more vulnerable population, certainly. And so that was again one of the concerns. And I think if I recall some of the correspondence, that was some of the concerns that was expressed to your office as well as mine. And so that's really the foundational reason why we decided to move in this direction.

Ms. Sarauer: — Thank you for that. Did the Law Reform Commission report include any recommendations that are not included in this piece of legislation?

Mr. McGovern: — The Law Reform Commission . . . There's a few areas where the bill addresses matters that weren't specifically recommended in the legislation. One is, for example — and you know, that's a particular area of interest for the ministry and for yourself — is with respect to victims of sexual violence or interpersonal violence. As members of the committee will know and the Chair will recall, we have recently made amendments in the residential tenancies legislation, for example, that provides that where there is an incident of interpersonal violence or sexual violence, which as a result of the survivor feels unsafe in that property, that there be an ability to breach the lease and to move to somewhere else.

[15:45]

And when we looked at the rationale of that — and it wasn't something that the report of the Law Reform Commission spoke to frankly — but when we looked at the piece and thought about the rationale of that change, when you put it in a circumstance where you may be living in a residence for, you know, 20 years or the rest of your life, being in a circumstance where you're next to or by someone where you feel unsafe, you know, immediately became a horrific process to think through. And so we felt it was

appropriate to impose that in the legislation as a protector for survivors in that circumstance. Don't expect it to be very broad, but that was something that the minister felt was very appropriate.

We expanded the cooling-off period. It was seven days and I think in the report it came to 10 days. The provisions regarding termination, there was some adjustment there. But unlike some reports from the Law Reform Commission where they provide a draft statute like the . . . You know, recently we were before this committee on reviewable transactions which was provided to the government as a close-to-letter-perfect draft which is Professor Cuming's want, to say these are the exact words it should be, this piece is a little bit more of a series of recommendations that we were able to convert into legislation. And there were a few things that we added.

Ms. Sarauer: — Thank you. Could you provide for the committee a jurisdictional scan of what other provinces have life lease legislation.

Mr. McGovern: — Saskatchewan will be one of the leaders in this field. Manitoba has legislation in place. Their legislation provides for protection, you know, including some of the changes we're talking about, that the cancellation of an option by leaseholders within a cooling-off period, the creation of disclosure requirements, annual meetings, minimum notice for rent increases, those provisions are in the Manitoba legislation.

Ontario had a private member's bill that didn't proceed past the last general election there. But this will be an area where we are relatively in the forefront.

Ms. Sarauer: — So just to clarify, the only other province that has life lease legislation right now is Manitoba?

Mr. McGovern: — That's correct.

Ms. Sarauer: — Okay. And you spoke about this a little bit, Mr. McGovern, but I just want to make sure that we got it all on the record. Are there any significant differences between the Manitoba legislation to this legislation that you haven't already described?

Mr. McGovern: — I think our legislation tracks more our residential tenancies piece. We recognize some of the provisions in our condominium legislation as well. So the Manitoba legislation does intersect their residential tenancies, ORT [Office of Residential Tenancies] office if you will, in terms of some of the process there in a way that we're considering actively, but that isn't committed to in the legislation at this point.

You know, I think we generally think we've got an improvement on some of the Manitoba pieces, but that central core aim of a balance between of the rights of the lessees and recognizing that we need to move this forward in a way that the lessors can continue to be innovative and continue to provide a, you know, a very useful alternative to seniors' accommodations.

Ms. Sarauer: — Okay. When was the Manitoba legislation passed?

Ms. Haack: — December 1st, 1999. So they've made a couple

adjustments to that Act as well but nothing recently.

Ms. Sarauer: — That's interesting that it's been around for so long yet other provinces haven't picked up on this legislation yet. I know you work closely with the Uniform Law Conference and you're in consultation with other provinces. I'm just wondering why there hasn't been as much movement in this area in other provinces.

Mr. McGovern: — I know that the Law Reform Commission in bringing this up was relatively consistently saying, you know, this is a good idea. This is something we should look at. This is where we should go. Without having seen the actual results, as you say, you know, we feel that this can help identify this area. It's a bit of a gap in the sense that you have seniors who are living in this community at a point in their life where they may not be the most vociferous advocates for it.

And then just as a matter of reality, if you're in the business of starting this, you know, this is an endeavour, especially outside of a non-profit circumstance. You know, the people being what they are and what I am, you don't say come regulate me. So you do have a bit of a natural gap here, unlike the thousands and thousands of students and, you know, active advocates in a residential tenancies context or a condo context. You may naturally have a gap but that's me guessing to a degree.

Ms. Sarauer: — Thank you for that. I understand. I was asking you to speculate. I appreciate you entertaining me. Understanding that this is such a new area, is the ministry planning to do an ongoing review of this legislation and how it's working in consultation with folks on both sides of the equation?

Hon. Mr. Wyant: — Typically that's what we would do. Certainly there'll be people that reach out to us. I know there's been a number of organizations that have reached out to us already to talk about, you know, how the bill will affect them in terms of the work that they do. But certainly we'll be entertaining any conversations and any further consultations that anyone has.

As with any new bill like this, there could well be some growing pains and some things we didn't anticipate, although I have great confidence in Mr. McGovern's sense of anticipation when it comes to these problems. But there may be things, and so we're certainly willing to continue to have conversations with stakeholders as we go forward.

Ms. Sarauer: — Thank you. No further questions.

The Chair: — All right. So seeing no more questions, we're going to proceed to vote on the clauses. This bill has over 80 clauses. I'm going to ask leave of the committee to review the bill by parts and divisions. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Okay. So part 1, preliminary matters, clauses 1-1 to 1-9, are they agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 1-1 agreed to.]

[Clauses 1-2 to 12-1 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Life Leases Act*.

I would ask a member to move that we report Bill No. 72, *The Life Leases Act* without amendment.

Mr. McLeod: — I'll so move.

The Chair: — Mr. McLeod moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Any closing comments? Mr. Minister?

Hon. Mr. Wyant: — I'll just reserve my comments to the end of the final bill, Mr. Chair.

The Chair: — Okay. Ms. Sarauer, you have anything else to say? Feel free to kick Mr. Ottenbreit out at any time.

Mr. Ottenbreit: — I didn't do anything this time.

The Chair: — All right. Mr. Ottenbreit, you can stay for now.

[16:00]

**Bill No. 75 — *The Non-profit Corporations Act, 2021*
*Loi de 2021 sur les organisations sans but lucratif***

Clause 1-1

The Chair: — All right. Let's move to consideration of Bill No. 75. We'll now consider Bill No. 75, *The Non-profit Corporations Act, 2021*, a bilingual bill. We're going to begin with clause 1-1, short title. Mr. Wyant, please make your opening comments.

Hon. Mr. Wyant: — Thank you very much, Mr. Chair. To my right, Sheri Hupp, director of corporations from the office of public registry administration at the Ministry of Justice; and to my left, Neil Karkut, senior Crown counsel with legislative services.

So I'll offer some opening comments, Mr. Chair, with respect to Bill 75. The ministry, as the committee may know, is currently carrying out a review and modernization of all our business legislation. This bill is the next step in the modernization process and is modelled off the new business corporations Act, 2021 that was passed last spring.

The goal of this bill is to modernize non-profit legislation to reflect current practices, replace outdated rules and language, and adapt to modern technologies. Some of the notable changes in this legislation, Mr. Chair, include updating provisions respecting boards of trade and chambers of commerce; reducing red tape by removing requirements to provide notices and other documents to the registrar in certain corporate-related matters; expressly allowing corporate names to be in Cree, Dene, or other prescribed Indigenous languages; more clearly allowing for the

use of modern technologies; and removing the 25-per-cent-Canadian-residency requirement for boards of directors. These changes largely mirror the changes in the new business corporations Act.

In response to concerns from Saskatchewan accountants, the proposed changes will also remove the ability for the registrar to appoint a non-accountant to conduct audits and reviews. The existing approach was unique to Saskatchewan and was intended as a temporary measure and does not achieve the goals of accountability and consumer protection.

To achieve a balance, the proposed changes will allow for increased dollar thresholds respecting mandatory audits and reviews. This will allow flexibility for smaller charitable organizations to vote against conducting an audit or a review.

Finally, Mr. Chair, a House amendment will be put forward to clarify provisions respecting wholly owned subsidiaries. In particular, the amendments would replace references to “corporation” with “body corporate.” This clarification is technical in nature and is not expected to raise any concerns from stakeholders. And with that, Mr. Chair, we’re certainly happy to answer any questions the committee has.

The Chair: — Thank you, Minister. Ms. Sarauer, the floor is yours.

Ms. Sarauer: — Thank you, Mr. Chair, and thank you, Minister, for your opening remarks. Minister, you mentioned that this legislation largely mirrors the changes in *The Business Corporations Act* that was passed last year, as you described. Are there any major differences that the committee should be aware of?

Mr. Karkut: — Neil Karkut, Ministry of Justice. I’ll speak to a couple changes, and I know Ms. Hupp also has one additional one that she may like to speak to. But as the minister mentioned in his notes, one of the adds to the key areas that differs from *The Business Corporations Act* is with respect to the audits and reviews. So as the minister noted, currently the director has discretion to authorize a non-accountant to conduct a review or an audit.

These changes will remove that from the Act and require an accountant to conduct audits and reviews. We felt that that was an appropriate step to take from a consumer protection standpoint and, as the minister noted, Saskatchewan was unique in having that. All other jurisdictions require accountants. That was meant more so as a temporary measure when that requirement was first put in in 2006, and meant to be more of an exception to the norm. So we felt over this period of time it was appropriate to remove that.

I will just note that the audit requirements are separated between membership corporations and charitable corporations. So membership corporations are run for the benefit of the members, so for example a golf club or a country house. Those membership corporations always have the right to waive the requirement to do an audit or a review by a two-thirds vote of the members. Where the mandatory comes in is with charitable organizations, and there’s certain thresholds set that if they’re above those, that they are required to do either an audit or a review. That’s where

the mandatory accountant requirement comes in.

The other, just not as big of a change, but we made some updates to the board of trade and chamber of commerce provisions, and that’s because they’re unique to the non-profit Act. They don’t exist under *The Business Corporations Act*.

And, Ms. Hupp, I don’t know if you wanted to highlight one other change that we . . .

Ms. Hupp: — Sheri Hupp, director of corporations. One other change that was very unique to the non-profit Act is the requirement to get a court order when amending activities in articles. It’s become clear that we are offside the rest of Canada with that requirement. It’s obviously an access-to-justice piece. It is costly to the non-profit corporation, to Justice. Of course I would get served in my office and have to participate.

As well as speaking to the charities directorate — that’s federally — and the majority of the reasons for amending activities in articles is actually to get that charitable status with the charities directorate, so it was sort of a redundancy. So that is a piece we’ll take out. That’ll be a nice red tape reduction piece that I think non-profit corporations will appreciate.

Ms. Sarauer: — Thank you for that and thank you for those explanations. When I was looking at this legislation, I was particularly thinking about the need to reduce red tape, in particular for smaller non-profits and charitable corporations because they’re often working on very shoestring budgets that they’re pulling from all sorts of different areas. And while it’s very important to ensure that those are being managed effectively, that in the same breath they’re not being overburdened by too much bureaucracy so that they can do the good work that they’re doing. So I hear how the audit exception would benefit that as well as removing the requirement for a court order.

Is there anything else in that lens framework of ensuring that smaller non-profits in particular can continue to do their good work that the committee should be aware of that’s in this legislation?

Ms. Hupp: — Certainly there are other, what I would call, red tape reduction pieces. There were requirements in our current Act to serve myself as director of corporations, when they’re doing things like appointing certain proxies, requesting membership lists, and things like that. And really it’s become just a process where they serve my office, and my office does not get involved because it’s internal to that organization. So we’ll be removing some of those requirements to serve my office with court applications or notices for things like proxies and membership lists when it just doesn’t seem to serve a function anymore, and hopefully that will reduce some of the requirements on non-profit corporations as well.

Ms. Sarauer: — Thank you. I know we had this conversation when *The Business Corporations Act* came up for discussion, but I want to make sure we get this on the record for this piece of legislation as well. And that’s particular to the removal of the 25 per cent Canadian residence requirement for board of directors. Can you give an explanation as to why this change is being made?

Hon. Mr. Wyant: — Sure. Well there's a couple of reasons for it. First of all there's some sense that, at least with respect to *The Business Corporations Act*, that that could inhibit some investment. But additionally there's certain ways that corporations can avoid the requirement. They could incorporate in a jurisdiction that doesn't have that 25 per cent number and then simply extraprovincially register in Saskatchewan.

And so while we're not particularly concerned about the investment piece when it comes to non-profits, there's certainly an opportunity to circumvent it. And so there just seemed to be no need to have the rule. As you know, there is a requirement for corporations to have powers of attorney when they're extraprovincially registered. That does certainly continue under the Act, but that's the primary reason.

Ms. Sarauer: — And how does this compare to other jurisdictions?

Hon. Mr. Wyant: — In terms of the 25 per cent rule?

Ms. Sarauer: — Yes.

Ms. Hupp: — For business corporations, there has been a large movement away from this. Even since we introduced *The Business Corporations Act*, there have been jurisdictions like Alberta that have gotten ahead of us and introduced it as a quick amendment. For non-profit corporations it isn't moving at the same speed, but we would expect the same movement away to happen.

So Saskatchewan will probably be ahead of the curve for non-profit corporations just because we are opening up the Act and doing it now for business corporations. We're right in line with the movement across Canada.

Ms. Sarauer: — Thank you. What consultation was done with respect to this bill?

Mr. Karkut: — As we discussed previously, the bill's modelled very heavily on changes that were done to *The Business Corporations Act*. So when that Act was being amended, we did conduct a public consultation and get feedback from the legal community, the accounting community, and whatnot. So that consultation piece informed this piece very heavily.

However, over the years Ms. Hupp's office has also received public feedback and comments from stakeholders on a regular basis. So that feedback was collected and, well, a lot of that was incorporated into this. And we did have some targeted consultations with, for example, the Saskatchewan accounting profession in particular with the audit piece we discussed, and then also the Saskatchewan Chamber of Commerce. So those were the main groups that we specifically consulted with on this piece.

Ms. Sarauer: — Thank you. And I imagine that when this consultation process was ongoing the largest — and correct me if I'm wrong — the largest feedback would have been from those who would fall under *The Business Corporations Act*. Were there organizations who would fall under this piece of legislation who did reach out and provide feedback on this bill outside of the pieces you already mentioned, the chamber and the audit piece?

Ms. Hupp: — What happens is generally my office of course gets the referrals that come through the ministry and gets direct contacts. We have information on our website where we have an email and things like that. So a lot of the consultations that we would have done would have been coming directly from representatives and people in the non-profit corporation industry.

And that's where we did get the feedback on some of that red tape reduction pieces. It is certainly things that went into the chamber of commerce pieces and things like that. So we keep an ongoing sort of list of things people have commented on through the years, and we do that with all our business legislation.

Ms. Sarauer: — Thank you. I have no further questions.

The Chair: — Thank you, all. Seeing no further questions, we're going to proceed to vote on the clauses. This bill has over 300 clauses. Thank you, Minister. So I'm going to ask leave again of the committee to review the bill by parts and divisions. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. So we're going to start with part 1, preliminary matters. Clause 1-1, short title, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1-1 agreed to.]

The Chair: — Carried.

Clause 1-2

The Chair: — Clause 1-2. I recognize Mr. McLeod.

Mr. McLeod: — Thank you, Mr. Chair. I propose amendments in both English and French related to clause 1-2 of the printed bill. In that regard I wish to move to:

Strike out subsection (6) in Clause 1-2 of the printed Bill and substitute the following:

“(6) For the purposes of this Act, a body corporate is a wholly owned subsidiary of another body corporate if all of the membership interests of the first body corporate are held by one of both of:

(a) that other body corporate; or

(b) a wholly owned subsidiary, or wholly owned subsidiaries, of that other body corporate”.

The Chair: — Okay, Mr. McLeod has moved an amendment to clause 1-2. Do committee members agree with the amendment as read?

[16:15]

Some Hon. Members: — Agreed.

The Chair: — Carried. Is clause 1-2 as amended agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 1-2 as amended agreed to.]

[Clauses 2-1 to 22-9 inclusive agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Non-profit Corporations Act, 2021*, a bilingual bill.

I would ask a member to move that we report Bill No. 75, *The Non-profit Corporations Act, 2021*, a bilingual bill, with amendment.

Mr. Keisig: — I do so move, Mr. Chair.

The Chair: — Mr. Keisig moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Any closing comments, Minister or Ms. Sarauer?

Hon. Mr. Wyant: — I'll refer them to the next bill.

The Chair: — The next one? You're good? All right, we got some signing to do over here.

**Bill No. 76 — *The Non-profit Corporations
Consequential Amendments Act, 2021***

Clause 1

The Chair: — But in the meantime, Bill No. 76, *The Non-profit Corporations Consequential Amendments Act, 2021*.

Our last bill is Bill No. 76, *The Non-profit Corporations Consequential Amendments Act, 2021*. We'll begin our consideration with clause 1, short title. Minister Wyant, please make your opening comments.

Hon. Mr. Wyant: — Thanks very much, Mr. Chair. Again to my right, Sheri Hupp, director of corporations from the office of the public registry, the Ministry of Justice, and to my left, Neil Karkut, senior Crown counsel from legislative services.

I'll now offer a few opening comments with respect to Bill 76, Mr. Chair. The bill includes consequential amendments to the English legislation that are required to implement *The Non-profit Corporations Act, 2021*. Those changes are either housekeeping in nature or will implement modernized provisions in order to maintain uniform practices for all business types in the area, such as publishing notices and the use of electronic technologies.

Once again, Mr. Chair, there's a House amendment. It will be put forward to clarify provisions respecting wholly owned subsidiaries within the new business corporations Act. This approach will ensure that these provisions remain uniform between business corporations legislation and non-profit legislation.

So with that, Mr. Chair, I'm happy to answer any questions.

The Chair: — Thank you, Minister. Ms. Sarauer, the floor is yours.

Ms. Sarauer: — Thank you, Mr. Chair, and thank you, Minister, for your opening remarks. As you mentioned, as this legislation is consequential in nature and we just had a good discussion on the substantive bill, Bill No. 75, I have no questions for this legislation.

The Chair: — Okay. So seeing no further questions, we'll proceed to vote on the clauses. So where's my lovely pen? Awesome. So clause no. 1, short title, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 1 agreed to.]

Clause 2

The Chair: — Clause no. 2. I recognize Mr. McLeod.

Mr. McLeod: — Thank you, Mr. Chair. I wish to propose an amendment as it relates to clause 2 of the printed bill. I would move to:

Amend Clause 2 of the printed Bill by adding the following subsection after subsection (2):

“(3) Subsection 1-2(6) is amended:

(a) in the portion preceding clause (a);

(b) in clause (a); and

(c) in clause (b);

by striking out ‘corporation’ wherever it appears and in each case substituting ‘body corporate’”.

The Chair: — Okay, Mr. McLeod has moved an amendment to clause 2. Do the committee members agree with the amendment as read?

Some Hon. Members: — Agreed.

The Chair: — Carried. Is clause 2 as amended agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 2 as amended agreed to.]

[Clauses 3 to 25 inclusive agreed to.]

The Chair: — All right. Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Non-profit Corporations Consequential Amendments Act, 2021*.

I would ask a member to move that we report Bill No. 76, *The Non-profit Corporations Consequential Amendments Act, 2021* with amendment.

Mr. Grewal: — I do so move, Mr. Chair.

The Chair: — Mr. Grewal moves. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Minister Wyant, have you got any closing comments on this bill or just closing comments, period? And then we'll . . .

[16:30]

Hon. Mr. Wyant: — Thank you, Mr. Chair. Well first of all let me just thank you, Mr. Chair, for your attendance today and the attendance and the attention of the committee. Ms. Drake, for her able assistance. I want to thank Ms. Sarauer for her very respectful questions on these bills. The officials that helped support the work of the Ministry of Justice who aren't with us today, I appreciate all their very hard work, and Hansard for their attendance as well, Mr. Chair.

The Chair: — Thank you, Minister. Ms. Sarauer, any closing comments?

Ms. Sarauer: — Yeah, thank you. I'd like to join with the minister in thanking all the folks that he just mentioned. Thank you, Minister, for answering my questions, as well as to all of your officials for answering my questions today as well as all of the work that they do every single day. As well as to yourself, Mr. Chair, and the committee members for being here. My favourite committee and my favourite committee members — it's always a pleasure to spend time with you. My favourite committee Chair as well. Committee staff as well as Hansard and legislative services, video services, and security, thank you so much for everything you always do, but especially this afternoon.

The Chair: — Thank you, Ms. Sarauer. I think we might just stay in committee if you're that excited. No, not that much. Anyways, I'll do the same. I'd like to thank Ms. Sarauer, Minister Wyant, your officials, the committee, and of course Hansard — thanks again so much. And with that, this committee stands recessed until 6:00 p.m. Thank you all.

[The committee recessed from 16:31 until 18:01.]

The Chair: — Hello, everyone. It's six o'clockish. Welcome, everybody. Welcome back, committee members.

**General Revenue Fund
Government Relations
Vote 30**

Subvote (GR01)

The Chair: — We're now going to consider vote 30, which is the Government Relations, subvote (GR01), central management and services. We've got one substitution. We've got Mr. Jenson for Lisa Lambert. We've got Erika Ritchie substituting for Betty Nippi-Albright. Okay, we're good to go.

So Minister McMorris is here with his officials. And as a reminder to officials, please state your name for the record before you speak, and please don't touch the microphones. Except for the minister and Erika, please touch your microphones as much as you want and let's see what happens. Oh, I'm going to get kicked out by Hansard myself. The Hansard operator will turn your microphone on when you speak.

And, Minister, please introduce your officials and make your opening comments. And you'll have the same opportunity, Ms. Ritchie, and then the floor will be yours. But we'll start with the minister.

Hon. Mr. McMorris: — Thank you, Mr. Chair, for being here, and to the committee members and to Hansard. I promise not to touch the mike much. Anyway, glad to be here to go through the remaining four hours of our estimates through Government Relations. On my left is my deputy minister, Greg Miller, and to my right is Jeff MacDonald, and I'll let you do the official title. And I think what we'll do is Jeff will start it off.

There are a number of questions that arose on Monday that we didn't have the complete answer for. And so we'll just undertake kind of the question that was asked and the answer, as we were able to do a little more research, and give a little more wholesome answer to those particular questions. And then we'll turn it back to you, Mr. Chair, to see us through the next three and a half hours.

The Chair: — Excellent. So do you want to start here or do you want to go with there?

Hon. Mr. McMorris: — Right here.

The Chair: — We'll start there. Okay. Go ahead, sir.

Mr. MacDonald: — Hi there. Jeff MacDonald. I'm the executive director of municipal infrastructure and finance. So the question posed to us in the last session was with respect to the Investing in Canada Infrastructure Program. And the question was about funding within the various funding streams. So the question was, how much money is within the current budget related to the funding streams? What is the total approved amount of projects that have been approved, total number of projects approved, and the number of submissions under each category? So I'll endeavour to answer each of those.

So the first question: how much is in the current budget? For the '22-23 budget, allocation for ICIP [Investing in Canada Infrastructure Program] is 162 million. And it's difficult to break that down by streams, as the question was posed. And I'll perhaps just answer it in terms of how we approach the budget, is that we take into consideration the number of approved projects to date, the anticipated project approvals within a fiscal year, as well as any of the active intakes that we have currently going on which may result in projects starting construction in that fiscal year.

As part of their applications, recipients are asked to break down the total eligible project costs over the fiscal years that they're forecasting based on progression of the project, and we use that as part of our estimates process. And then each quarter, recipients that are active are required to do progress reports. And so they submit those progress reports to us, and we make adjustments

based on the flow of each individual project. And so those factors all together is how we came up with our estimate of \$162 million for the upcoming fiscal year.

In terms of the other parts of the question, in terms of total amount approved and total number of projects within each stream, just bear with me. So under the green infrastructure stream we've had 776 applications, and of that we've had 68 projects approved to date representing a total project cost of 531,652,188. Under the community, culture, and recreation stream we've had 243 applications, 30 approved projects representing \$84,032,122. Under the rural and northern communities stream we've had 198 applications, 43 projects approved to date representing \$92,863,173. And under the COVID-19 resilience infrastructure stream, we had 168 applications; we have 56 projects approved representing \$55,370,967. So with respect to the intakes overall, the Ministry of Government Relations has undertaken nine intakes, which have resulted in 885 applications and 197 projects that are approved under the program to date.

With respect to approvals, just to note, a project isn't considered approved until approved by Canada — so they have the ultimate final authority — and when we sign an ultimate recipient agreement.

Ms. Ritchie: — Pardon me for interjecting, I just lost track of that last category. Which one is that for?

Mr. MacDonald: — The COVID-19 resilience infrastructure stream.

Ms. Ritchie: — Oh, okay. All right, thank you.

Mr. MacDonald: — And so the last one to note, I didn't talk about the public transit stream. 307 million in federal funding was actually allocated to the city of Regina, Saskatoon, Moose Jaw, and Prince Albert. And rather than project intakes, the Ministry of Government Relations has been working with the cities to fund priority infrastructure projects, including those in other streams.

So to date, the ministry has funded 15 projects representing 135 million in federal funding that has been transferred from the public transit stream into other streams. The ministry continues to work with the city of Saskatoon and Regina, who have remaining funding, to identify their priority projects based on the allocations that they have remaining in that stream. Thanks.

The Chair: — Ms. Ritchie, the floor is yours. If you want some opening comments, go ahead, and otherwise the floor is yours for questions.

Ms. Ritchie: — Oh, okay. Well thank you all so much. It's a pleasure to be here. I'm substituting in for our usual critics in this area, so you'll please bear with me as I run through the questions. And some of them might just to be giving me a little bit of background, maybe, in some areas I'm not quite so familiar with. So I appreciate your indulgence that way.

Also thank you so much for tabling the information from the questions asked earlier in the week, and thank you of course to all of the staff and officials that are here today, that are

participating in these estimates review.

So I'll maybe start with just drilling down into some of the information that's just been presented. I'm interested in understanding better the public transit infrastructure stream. I think you mentioned 307 million, if I'm correct on that. And you also said 15 projects in total? Okay, yeah. And you said 135 million. What was that in regards to?

Mr. MacDonald: — So the 135 million, it represents the amount of federal funding that has been utilized under that stream, transferred to others.

Ms. Ritchie: — So 307 allocated, of which 135 has been disbursed. Yes, okay. Great. Now you mentioned that that was being redirected into other streams. And yeah, that's the part I'm looking for a little bit of clarification on in terms of why the movement around, how that's being undertaken. And also how much of this, if any, are provincial dollars?

Hon. Mr. McMorris: — Thanks for that question. I'll just give a little kind of overview of what happens when money gets transferred from one stream to the next, and then Jeff will get into some of the detail of the 15 projects that were moved. So the federal government has the final say, but no money would be moved from, for example, the transit stream to any other stream, the green stream or whatever, without agreement of both the province and the particular city as part of that funding. So we would talk to both, for example, the city of Regina, the city of Saskatoon.

And Jeff will use an example of the city of Moose Jaw, where maybe they have huge priorities within the public transit stream, but they have other priorities and were more than willing to move that over. We would agree with it, and then it would need final approval from the federal government. But the cities are . . . None of this money would get moved unless the cities were in full agreement. So Jeff will maybe talk to you about a few of the examples of where that's been successful.

Ms. Ritchie: — Maybe just before we do that, what are the implications of monies being moved from one stream to another? Does it reduce the amount available in another stream basically? Is that the outcome?

Hon. Mr. McMorris: — Yeah. Yeah, so you would have, you know, a total lump sum of whatever; let's say, just for easy figuring, \$300 million in the public transit. And if the cities agreed, a city agreed to move 50 million over of that 300 into what other priority they may have, that would reduce it to 250 and 50 going over to, for example, a green stream. But again I think Jeff has much more detail.

Mr. MacDonald: — Yes, thank you. The public transit stream is unique within the program as well in that because it was dedicated to transit, the federal government set aside money based on ridership, and it was to the recognized communities that are members of CUTA, the Canadian Urban Transit Association. And so of the 307 million in federal funding, the city of Regina was allocated 131.9 million of that; Saskatoon, 164.3 million; Prince Albert, 5.3 million; and Moose Jaw, 6.1 million.

And so, as the minister mentioned, if those communities had

other priority projects that they would like to fund, it was within an agreement, a letter that had to be signed by the cities in order to move some of their federal allocation into another stream to do another project.

I think a good example that illustrates this is that both the city of Regina and Moose Jaw partnering their federal shares to move over into the green stream in order to fund the Buffalo Pound water plant renewal project. And so they've utilized the federal share from public transit, moved it over into green. And in terms of your question with respect to the provincial cost-share, on any municipal project that is put forward, the province is responsible and required to put in a 33.33 per cent funding share on all of those projects.

[18:15]

Ms. Ritchie: — And so in the case that you just provided with Moose Jaw, is there no opportunities for them to undertake both types of projects? What is the state of their public transit system?

Mr. MacDonald: — Yeah, thanks for the question. I think when it came to Moose Jaw and Prince Albert that had smaller amounts allocated to them under transit, they were given a choice. So they were offered the opportunity on transit or other priorities, both of which identified other streams. So that has depleted their full allocations under the public transit stream. But with their small amounts, they are also eligible to apply into any of our other intakes, as we open up intakes under other streams as well.

Ms. Ritchie: — Oh, I see. So are you saying that the amounts that they received were based on the ridership? And so whatever the state of their public transit system and the amount of ridership, that determines their eligibility to receive funding. That's kind of interesting, you know, just in terms of . . . I mean, what is the objective of that public transit stream? Like, I would assume it's to improve ridership. Would it not be? So maybe you could just maybe explain a little bit more about what those objectives are.

Hon. Mr. McMorris: — So really, I mean the federal government plays a major role and kind of identifies the streams regardless of priorities. So it would allocate so much to Saskatchewan for public transit from that allocation. And as we've already said, per ridership determines how much goes to the four cities that have public transit within their cities.

Then it's up to the city if it wants to move. For example, you're asking about the condition of the bus fleet, let's say, or public transit in Moose Jaw. That's not for us to determine; that's for the city of Moose Jaw to determine. And if they want to move it because their priority is a green stream, they have the ability to do that, as does the city of Regina and as does the city of Saskatoon. That isn't driven from a provincial government, that's driven . . . So when you're asking about the, you know, the state of the public transit, that's for the cities to determine, and where they want that money to go. In the case of both Moose Jaw and P.A. [Prince Albert], they've moved it. Regina's moved some. Saskatoon has moved some. Regina's moved more, but Saskatoon has moved some.

And, Jeff, do you want to just give an example of . . . You'd mentioned to me, I can't think of it offhand, in Saskatoon where

they moved money . . . Oh, the Gordie Howe bowl, for example. They moved from the green stream to culture and rec. I mean from transportation, I mean, to culture and rec I think that would have been under. And that was their priority, but again driven by the city, not by the provincial government.

Ms. Ritchie: — Well thank you. Again, just trying to understand, you know, how these funding streams work. And also I guess what you're saying is that . . . So they take money from the public transfer infrastructure stream, they put it to the green infrastructure, and that basically gives them a bigger pot from which to undertake works under a different category up to whatever amount maybe that they're eligible for. Am I understanding that correctly?

Hon. Mr. McMorris: — I guess you could say that it increases their pot in that one stream. So in other words, they've moved from transit into whatever, whether it's to green or — we've used two examples here — culture and rec. But it then lowers their public transit amount. So they only have a fixed amount of money. It depends on which basket or stream they tend to put it in. And so if they've taken it out of public transit, it drops it down accordingly proportionate to what they put into the other stream.

Ms. Ritchie: — I think you mentioned that Moose Jaw, Prince Albert, Saskatoon, Regina, those are the four urban areas with public transit systems in the province. So are other municipal communities able to access money from that fund for some other kinds of projects?

Hon. Mr. McMorris: — So in the public . . . And maybe, I think I misspoke, but there's five communities. There's Moose Jaw, Regina, Saskatoon, Prince Albert, and . . . four. That's one, two, three, four, so the four communities. And it's because they have existing public transit. Not like, you know, some communities through service clubs have modes of transportation, but those are the four that are identified as public transit in the province of Saskatchewan.

Ms. Ritchie: — And so a community like, say, Martensville, Warman, how would they get access to this program? I mean presumably they would want to, as newly minted cities, want to be able to take advantage of this funding opportunity, or maybe have intercity transportation to access health services maybe, for example. What opportunity is there for them to utilize these funds?

Hon. Mr. McMorris: — So this program, as I've said, is really driven mainly through the federal government, and then we put in our share. And you know, we think for the most part it's a great program because, you know, we're putting in 33.33 cents on the dollar and municipalities . . . depending on the program. I mean there's some other programs that the split is a bit different, but on this one that's what it would be. But it's the federal government that determines kind of the right criteria around what is eligible and what isn't.

We've been asked by certain municipalities to lobby for different criteria, and we do. At the SUMA [Saskatchewan Urban Municipalities Association] convention, as a matter of fact, one question came up. Probably . . . Well no, SUMA would definitely be where . . . I was going to say SARM [Saskatchewan Association of Rural Municipalities] as well, but it came up at

SUMA about firefighting equipment.

And you know, there's such a . . . We heard two members' statements on it today, as a matter of fact, and the money that has gone into it through SGI [Saskatchewan Government Insurance], equipment and apparatus, that type of thing. That is not available or eligible, I should say, through the ICIP program, but that's certainly something that many of the urbans would like to see. That isn't our call, but we lobby. I mean when we have those conversations about makeup of the next program, what is in, what's eligible and what isn't, that's where those conversations happen.

Having said that, just on kind of one other thing on the firefighting piece, that's where a number of communities, when we came out two years ago with the MEEP funding, municipal economic enhancement program, many communities used that money to bolster their firefighting capabilities. And I think of the town of Maple Creek and surrounding area that used that money for that very thing.

So the eligibility for the most part is determined by the federal government, and we do have some lobbying power in that. But that's on the public transit piece because you can certainly — not to use, I don't like this term — but go down the rabbit hole as far as, you know, from community to community for medical, public transit, for a lot of different things. That was not eligible through the federal government.

Ms. Ritchie: — I'm really interested in this rabbit hole. So yeah, I mean it's a fascinating area. And I'm just wondering . . . I mean obviously, you know, we have the bulks of our population in the four centres that you mentioned, but it does strike me that there's, you know, obviously large proportions of the province that aren't able to access this funding.

Is there other opportunities to access funding for public transportation, either between cities or for rural areas? Because it, yeah, it just seems like it's leaving a lot of people out.

Mr. Miller: — Greg Miller, deputy minister. So with respect to the overall ICIP design and the criteria that the minister has mentioned in the transportation bucket, it's a bit of a, I'll call it a metropolitan design. So when I'm speaking with my deputy minister colleagues around the country, there's only four communities in the province here that sort of met that federal threshold tied to ridership and inherently size within communities. So for this particular funding, those were the only four communities that were eligible.

So we work, as the minister said, to lobby the federal government to ensure that whether it's the runout of this program or in future programs, that there is a context for the actual state of affairs here in Saskatchewan, so that these programs sort of allow us to sort of match the needs within our communities. Then what we've discussed here was this ability to transfer as a negotiated ability sort of matching the funds available to the, yes, coming out of transit but also going to the more local priorities as negotiated with the communities.

Ms. Ritchie: — Okay. And so just for clarification, is there any other program that non-metropolitan municipalities would have access to instead? Or there is nothing that exists?

Mr. MacDonald: — Not in ICIP. And that's a part of the ICIP constraints. You know, we don't have really inter-metropolitan need here in Saskatchewan.

Ms. Ritchie: — Okay. Right. Interesting. Just a few more questions on the program. So are there caps on each of these streams? What determines when you sort of hit the threshold?

Mr. MacDonald: — Yes. So each of the funding streams had a set amount of federal funding that were assigned to each of the streams from the outset and then in terms of total project cost for projects themselves, there was no specific limits set by the program. However in our intake, our intake that's currently open as an example, we've set a minimum of 100,000 and capped it at 50 million for projects to allow, you know, more applications and folks to be able to apply. But no set limit in terms other than the upper bound of what federal funding was assigned into each of those pools.

Ms. Ritchie: — And so the province has committed to providing that 33 per cent up to those amounts?

[18:30]

Mr. MacDonald: — Yes. And sorry, it changes depending on who the ultimate recipient is. And so for municipal projects, the province is committed to 33.33 per cent. On a government-owned asset, as an example, the cost-share can be up to 50 per cent with the federal government. First Nations-owned projects, as an example, are eligible up to a 75 per cent federal share in the province in those cases as committed, and 25 per cent for the remainder. So it kind of depends on who you are as an alternate recipient.

Ms. Ritchie: — I think this might be a good time for me to ask about a specific community that I'm aware of. The village of Kincaid I understand had, you know, recently been informed that they had to upgrade their water treatment plant, and this is a village of 110 people. It's not clear to me if they've actually applied to the program, but there seem to be some limitations in terms of their debt limit.

And so I think they may be an example case where either the amounts that they need are below that 100,000 threshold or they don't have sort of the borrowing capacity to fund a project. So I assume that you're aware of that specific case, but as I understand it, you know, it's a half a million dollar project, or rather their share of the expense is half a million, and the ICIP program doesn't give them sufficient funding to go ahead. And so you know, what can be done in a case like that?

Hon. Mr. McMorris: — Thanks for that question. And you know, you identified the village of Kincaid. I think maybe what I'll do is I'll keep it more general instead of getting specific into one village over the other.

But save it to say that this is not unusual. Like there's a number of communities. And I think it was very evident when Jeff kind of went through the number of projects that are submitted and how many then are approved, the demand out there far outstrips any dollars that either the federal or provincial governments put in. I mean we'd probably have to more than quadruple the money to meet all the demand. As one person said at one point is that

there's always in this area more fence than there is paint; there's a lot more demand than there is dollars to go around to cover it.

But what I would say to communities, you know, that may be in the similar position as, for example Kincaid, is that there's other intakes that are going to be coming up and the most recent one is on May the 10th, that it closes on May the 10th. There will be others into the future although May 10th . . . Is that just culture and rec? Yeah. So you know, and this is more of a water project, may not specifically apply, but there are other opportunities coming up in the future.

And what we'd say to so many of those communities that are struggling in this, and it's not always possible, but what rates really high is when communities work with communities. And community can be another urban community, it could be a First Nations community, it could be an RM [rural municipality]. When communities work with communities, the acceptance . . . It rates much higher on the scoring process as to putting, you know, whichever community is ahead of the other. It doesn't necessarily go in population, but there's a number of criteria that grade the applications. And working with other communities is extremely important.

I guess the only other piece would be the gas tax that streams through us from the federal government. And most of that has little or no strings attached for the most part. And so communities have that made available to them, sent to them, and if they so choose use that toward some of the projects that they're working on. You know, there's a lot of communities that have had water projects accepted. There are communities that have had to finance those on their own. So there's a real variation because not every project will be able to get provincial funding.

And maybe the last piece is the Municipal Board. The Municipal Board too is the one that kind of oversees at that level and what's available and what isn't. So you know, there's also the conversation with the Municipal Board, and I guess there would also be the Municipal Financing Corp. which would be another option for any local municipality to, if they're looking for funding and they're having, you know . . . Whether there may not be a financial institution in their community or they may not have a relationship, the Municipal Financing Corp. is another opportunity for any municipality to access funds. It's not a grant, but a loan process that they could access funds. But the beauty of that is that it's at provincial government rates which is, you know, as good a rate as you're probably going to find. Although we've talked to many municipalities, at their local institution, because they're a good . . . a very low risk, get a very good rate.

Just in closing, the ICIP program that we're talking about so much today, the agreement was structured in 2018 for 10 years, and so we have six years left for this program to run its course. The good part is there's still money available in these streams, so there will be other intakes that communities such as Kincaid could apply for.

Ms. Ritchie: — So since the program's inception in 2018, do you report out in some kind of a tabular form amounts disbursed per stream, number of projects, some kind of an overview? Like is there an annual report that sort of outlines all of those kinds of details?

Hon. Mr. McMorris: — So just quickly is that federally, they post on their website. So a person can go onto the ICIP program and then select province and see what is done in each province, because we report back.

The communities have to report to us. We know when they're complete, and then that is reported to the federal government and kept at that level. But I will say that the ministry here has done just an amazing job of creating dashboards as to how many projects have been accepted in various streams, how many dollars, where they're at. They've done just an amazing job.

And then I don't know for how long, but since I've been around, reporting back through my office to where we're standing as far as the projects that have come in, approved, sitting at the federal level. Then, you know, where they are at the federal level, whether they've been approved or a letter of intent. And so there's a number of steps to go through.

Ms. Ritchie: — Are those dashboards like internal documents? Do you publicize them on your website?

Hon. Mr. McMorris: — So it tends to go to the federal government, which has posted them. I guess we could post it at the same time, but it would be the same information.

Ms. Ritchie: — Okay. So you mentioned the Municipal Financing Corp. That's a provincial government program operated out of which ministry?

Hon. Mr. McMorris: — So the municipal finance corporation runs through the Minister of Finance. I don't know if we have . . . I think we have a bit of say, but there's a board made up of the Minister of Finance and the Minister of Government Relations. So we go through the annual report, but it is all kind of administered through the Ministry of Finance.

Ms. Ritchie: — And so you mentioned sort of four options, and I'm working my way back up the list here. You also mentioned the Municipal Board. Could you explain to me what that is?

Mr. Miller: — So the Saskatchewan Municipal Board is an administrative tribunal. And it's regulatory in nature and, I would say, quasi-judicial in terms of its process in dealing with issues that arise from local authorities, municipalities in this case. The board does a few different things. It hears appeals regarding assessment, planning, development, things like road maintenance, municipal boundaries, fire prevention, noxious weeds, and certain other issues referred to them through legislation.

The board — and this is what we're discussing here tonight — also provides authority and approval to municipalities to establish and set debt limit. So they have some role there to authorize borrowing and the approving of things like utility rate applications, reviewing business plans, and certain other activities of the municipalities.

[18:45]

As the Board of Revenue Commissioners, the board hears provincial tax assessment appeals and approves writeoffs, cancellations of debts. That's sort of the function of the

Municipal Board.

Ms. Ritchie: — Great. Okay. So now moving up to the gas tax, for a town the size of like 110 population, what kind of allocation would it, ballpark, be receiving?

Hon. Mr. McMorris: — Maybe just if I could get some clarification. Do you want to just repeat that. What type of debt level would they be able to assume? What type of grants do they assume? What type of revenue sharing?

Ms. Ritchie: — Revenue sharing.

Hon. Mr. McMorris: — What type of revenue sharing for a community of 100 people?

Ms. Ritchie: — Yes.

Mr. Miller: — So with respect to municipal revenue sharing in this scenario, a community of 110 people, the MRS [municipal revenue sharing] allocation comes with a base amount. And \$2,500 is the base amount, so that would be the base amount every community gets. The per capita then for each individual within the community would yield a municipal revenue sharing of approximately 25,400 for the municipal revenue sharing for this budget.

Ms. Ritchie: — Okay. And then finally, I wasn't clear on the other intakes that you mentioned. Are those outside of the ICIP stream, or what were you referring to there?

Hon. Mr. McMorris: — I'm trying to remember exactly what I said, but I think I was mentioning for a community that there's still dollars. As I mentioned before, there's still six years left, or not quite, in the ICIP program. There's still money left. Other provinces, for example to the west of us, put it all out in the first year or two, and they've had no ICIP money in the last number of years, like eight years of the program.

We've staged ours and, as was mentioned, I believe there's been nine intakes. There'll be more intakes into the future because there's more money available, both on the federal front, which then we have to match. We signed on to the agreement — that was something, I think, around \$900 million — signed on to that to be allocated over 10 years. And the federal government, I guess, approved Alberta's model of getting it out the door in the first couple. We've staged ours because, you know, I guess we felt that communities come into need of infrastructure at different times, not all just in a two-year period.

So there are more intakes that are available for communities, for example in the green stream, which would tend to be water, into the future. And I'd just call on those communities to watch through all their municipal publications. We're in touch with — for example in this case — SUMA on a regular basis as well as SARM to make sure they, communities, understand.

And I know any time that I've had the opportunity to speak in front of any of these groups, we talk about, you know, where they can find this information out, and make sure that they're aware of it so that they can take advantage of what's available to them into the future.

Ms. Ritchie: — Thank you. Now the numbers that you provided at the beginning, which fiscal year were those for?

Mr. MacDonald: — Thanks for the question. What I quoted earlier was the total project cost that has been approved to date, based on the number of approvals. In terms of any given fiscal year, it's all about the progress of each individual project. And so the program under ICIP is a claims-based system, so as costs are incurred, communities will remit their invoices back to us. We review and make payment to them. So it's all dependent on kind of the flow of projects. Some smaller projects can, you know, take anywhere from six months to a year. Other projects are multi-years, and so they stage over.

And as I mentioned, we do the quarterly reporting where they're providing updates to us to let us know if there's any shift to the timelines, and then we manage the budget accordingly.

Ms. Ritchie: — Just to make sure I've got this straight, so you're saying that since the program began in 2018, you've for instance received 776 applications under the green infrastructure stream.

Mr. MacDonald: — Sorry, that was 276.

Ms. Ritchie: — Two . . . yeah, that seemed like a crazy-high number. Okay, thank you. Glad I asked. Right.

But I imagine you have to like allocate, within current-year budget, certain amounts. So what would those be for the current year, the under-consideration?

Mr. MacDonald: — Thank you for the question. And so for this fiscal year, the estimate for the ICIP program is 162 million. That includes both the federal and provincial share associated with projects that are actively under way at the moment. And so the factors that we use in terms of estimating what that value will be includes the number of projects approved to date, anticipated projects throughout the year, and then ultimately our active intakes like the one we have open now, an estimate of some that may start construction depending on their size.

And so we use those cash flows that are given to us as part of the application process where communities have identified the flow of their individual projects. And we monitor that as part of those quarterly reporting components to see if any adjustments need to be made on any of our given fiscal years. But it's really project driven I guess would be the answer, is that as the total project cost is what it is, you then relay that out as the projects progress.

Ms. Ritchie: — Okay, great. Thank you. And so when you said that — again just using the green infrastructure stream as our example — when you said 531 million, or I think that was the number. So was that disbursed or approved?

Mr. MacDonald: — So the 531,652,188 is total eligible costs approved to date.

Ms. Ritchie: — And then did you provide me with a disbursed thus far amount? Oh, when you say "approved," you just mean in terms of they've reached that state in the project so you've awarded . . .

Mr. MacDonald: Yeah. So I think the way I'd describe it is

“approved” is “allocated.” It’s we’ve committed that funding, and then when it gets expensed would be based on the progression of an individual project.

Ms. Ritchie: — Right, okay. Yeah, so then I’m assuming there’s two numbers I need to be understanding here, both what’s been disbursed versus what’s been . . . like the total amount of the projects that have been approved. Would you have that number?

[19:00]

Hon. Mr. McMorris: — So we really don’t have that number here, partially because it hasn’t been finalized. So we know what has been approved, the dollar amount, and Jeff has given that, the dollar amount.

What you’re asking, I believe, is how much have we actually expended out. In other words, bills have come in from communities and how much have we expended over the last number of years for the program. Number one, we’re just calculating this past year. So you know, within a week or two we could probably have that number that would be more exacting than a ballpark number that I’d be giving you now.

Ms. Ritchie: — Okay. And I’m also curious to know, like you mentioned you receive far more applications than you could ever fulfill. What are the criteria that are used to make that decision around which projects get funded?

Mr. MacDonald: — Thanks for the question. There’s kind of two factors that we use to review. First is program eligibility, so a municipality must demonstrate that the project meets one of the eligible outcomes and the various eligibility components that are posted as part of the program as a whole.

And then in terms of our review, once they’ve passed the screening in terms of eligibility, we looked at factors such as value for money: does it contribute to community objectives; and based on community needs for service, does it enhance and protect public health and/or environmental health; the funding need itself. Technical feasibility based on documentation provided, so that’s things like do they have a valid cost estimate for the project. Project sustainability, so that’s things like overall thought for use of the life of the asset and demonstration; as an example, underwater project that you’ve got the utility rights to operate that, you know, asset for the long term. As the minister mentioned before, level of regional co-operation and/or support. And the organization or community’s ability to financially support the project, so do they have the funding in place to meet their share.

We also looked at other factors such as regional distribution of funding, previous grant funding allocated under other programs, community need, and any unmitigated project risk that might be identified. And so we grouped that together to come up with an overall assessment of each application.

Hon. Mr. McMorris: — Let me just add too, I mean, in some projects, you know, they’re submitted but they become ineligible right away because the community’s already put money towards that. There’s a project and so the submission may come in, but the community may not have realized that because they’ve already put money towards it, they would become ineligible. And

I think that was the first criteria that are they eligible. But that doesn’t mean that they haven’t submitted. So that number could be skewed a little bit because a lot of communities are knocked out of the grading before they even start because they’re ineligible.

Ms. Ritchie: — Yeah, I do recall hearing that mentioned in some conversations in the last few weeks. We experienced a lot of supply issues, inflationary pressures. How is that impacting on these projects, and how are you accommodating for that?

Hon. Mr. McMorris: — I would just say thanks for the question because that is very . . . It’s the reality that so many of the projects are seeing right now. You know, I don’t have the history back five or six years ago, but certainly in the last number of months we’ve heard of communities that are accepted and are eligible and are finding that, the increase in the budget. So the agreement is struck between the federal government, provincial government, and the municipality. In the agreement it’s very clear that they, all municipalities, sign on to that if there is an escalation over and above what the budget is, it’s the responsibility of the municipality.

We encourage municipalities prior to any, you know, inflation, but especially now, to build in a contingency so that if it goes above what their budget is, that they’ve built that in to offset that because that is their responsibility. But if they set it in their proposal to begin with, then it’s shared by everyone. If they don’t and there is escalation, anything over and above what was budgeted for or approved is the responsibility of the municipality.

There are examples where municipalities will adjust the scope of their . . . They don’t change the scope, but they adjust it or de-escalate. Descope, I think, was the word. Actually I never really kind of heard before, but anyway, descope the project. And I know I have one that I’m working with within my constituency that it’s come in certainly higher than they thought. They don’t know whether they can quite fund it out of extra from the municipality, so they’re looking at where they can save money. It doesn’t change their budget that we would submit or through the federal government, but it does get them into a cost number that they feel that they can absorb and still see the project move forward.

It can’t be, for example, they were going to do a rink and now the budget has come too high and they’re going to do a splash park. That doesn’t work. It needs to be a rink, but maybe doesn’t have quite as many bells or whistles or that they will add onto into the future. So they can’t change the scope, but they can descope a little bit. But again, and probably more than ever before, that contingency built into the bid process or to the submission is extremely important.

Ms. Ritchie: — Thank you. That’s been a very informative set of questions and answers here on the ICIP grant program. I guess I just, in sort of wrap up to all this, request the information that you’ve provided here at the outset, if that could be tabled with the committee.

Hon. Mr. McMorris: — Yes.

Ms. Ritchie: — Great, thank you so much. Okay, we’re going to move on finally. I understand that last time you were in estimates,

you spoke about nine municipalities have had their municipal revenue-sharing grant withheld due to non-compliance with the six conditions most commonly around audited financial statements. Could you clarify if these communities are eligible for other funding streams due to non-compliance with the MRS conditions?

Hon. Mr. McMorris: — So once municipalities, which . . . The vast, vast majority of the municipalities have met the eligibility criteria in order to receive municipal revenue sharing, or MRS. There's a few that aren't. And I think your question is, if they are not eligible and haven't met the eligibility criteria, are they eligible for anything else then?

So we withhold the municipal revenue sharing. We want that to get out. We want them to become eligible or meet the criteria so we can get that out the door. There is also on the ICIP grant, there is a financial statement that needs to be provided which is part of the eligibility criteria. So you could say that pretty much everything that goes out through Government Relations they need to be eligible for, whether it's municipal revenue sharing, the ICIP program, or the gas tax.

[19:15]

The third one is the targeted sector support. Now if the main community that is asking for targeted sector support also has in their group a community that is not eligible, that would go to the main municipality that is applying for it. So I guess the short answer is, are they eligible for anything? No, if they haven't followed through on the criteria.

Ms. Ritchie: — Is there any assistance provided to these communities to bring them into compliance? And if so, what?

Mr. Green: — Good evening. Sheldon Green, assistant deputy minister with municipal relations division in the Ministry of Government Relations. Thank you for that question.

The ministry does provide a robust suite of services to municipalities. We provide everything from in excess of 200 different types of guides and documents and sample templates for various things — a number of them are specific to, for example, the eligibility requirements the minister spoke of — so to try and keep the bar as low as we can for them to accomplish success with those items because we do want to see the dollars into communities. We've got, for example today, recorded webinars online. We know that the Office of the Provincial Ombudsman has webinars. The municipal associations do as well.

We've got a number of folks in the ministry that provide what we refer to as municipal administration advisory services. And so those are technical services, it's not legal advice, but we'll provide a lot of technical guidance both to members of the public that call . . . It is predominantly municipal administrators that are getting support through that, but we do talk to municipal councillors as well and citizens and provide them advice about roles and responsibilities of municipalities.

In addition to that, if on a specific-case basis of a municipality — if, for example, it's some issues in their financial statement — we will work with their auditor to help articulate particular

nuances of how they're documenting their finances to ensure that they can overcome any deficiencies that might be there.

We've worked for many years to establish today a program that's run by the Saskatchewan Association of Rural Municipalities called the municipal leadership development program, a series of six modules particularly aimed at elected officials, but appointed officials attended as well. We've been most recently moving a number of those to be online. We do live webinars as well, periodically, that we'll run. We'll try and run them sometimes at noon hour to make them accessible to municipal administrators, and then we'll record them and put them online.

We frequently partner with our municipal association partners and go to their conventions and deliver technical sessions on various topics, be it with the Rural Municipal Administrators' Association, Urban, in addition to SUMA and SARM and New North. So there's robust assistance that's available through the ministry.

Ms. Ritchie: — Are there systems in place through the ministry to flag communities that maybe are veering off course with their financial management?

Mr. Green: — Well I would say that I think our municipal revenue-sharing eligibility requirements certainly are a litmus test, if you will, to whether or not they're having challenges.

Our municipal advisors are constantly on the watch. They handle well in excess of 10,000 calls a year from folks. A majority of the questions are fairly straightforward and simple, but sometimes that can be a bit of a barometer for additional outreach that we might have with that community because we can see that they're struggling. And we will meet with them if that's what they ask of us.

So I think we do monitor all of our program and service lines regularly as part of our own planning work because we obviously have a really high priority to understand the performance of the municipal system as a whole, although we don't obviously control decisions that individual municipalities will make in their own jurisdiction.

But if we become aware of whether we can do a better job at improving resource materials we have or consider resolutions that come from conventions that demonstrate an interest by municipalities for an adjustment to how legislation is working, or regulations, we take all those things under consideration and work to do what we can do to contribute to their success. So there's, I think, a number of ways that communities that may . . . as you used the word "red flag," we would be able to identify them as soon as we can.

Ms. Ritchie: — Thank you for that answer. I might be shifting gears here a little bit. The last annual report noted:

The ministry extended the bilateral agreement for the Clean Water and Wastewater Fund and the Public Transit Infrastructure Fund to December 31, 2022 to allow for project extensions. The ministry continued to work with recipients and the federal government to extend 18 projects and will continue to manage these agreements until complete.

Could you please share with us the reasons for these extensions? There's some follow-on questions, but I'll start with that one.

Hon. Mr. McMorris: — So those two programs as you identified, the recipients, obviously the successful recipients, had requested extensions, the federal government and provincial government. But the federal government agreed to extend for those 18 projects just because the recipient was running into timeline issues. This was pre-COVID so that wasn't the reason for the extension. but it was extended. Those 18 projects are all complete now.

Ms. Ritchie: — Okay, great. So I take it from that that then they've been fully allocated. They've been completed. Yeah, okay. So of the approved projects, are you able to tell us . . . I'm just looking for a breakdown in terms of how many of these were municipal, Indigenous, private sector, or non-profit.

Hon. Mr. McMorris: — We'll get maybe a more, a fuller answer, but it's difficult because it's not just a black-and-white line. It's not a static line because some are, you know, a combination of municipal with First Nations. So it's hard. It's not kind of a black-and-white line between project to project to project. But I'll just see if we can kind of get maybe a ballpark.

Mr. MacDonald: — Thank you for the question. For the Clean Water and Wastewater Fund and the Public Transit Infrastructure Fund that are both closed, primarily municipal recipients. Some examples under the Clean Water and Wastewater Fund, we had projects with the city of Saskatoon, Regina, Moose Jaw, Prince Albert. But there were also projects with the northern hamlet of Michel Village, northern hamlet of Stony Rapids, the northern village of La Loche is an example, several RMs throughout the province.

We also had Rural Pipeline Association that did distribution for multiple communities is another example, so that will happen. SaskWater undertook projects to support Elbow and Melville as an example. So those would be other recipients under the Public Transit Infrastructure Fund. Again those projects were limited to Moose Jaw, Saskatoon, Prince Albert, and Regina.

Ms. Ritchie: — Is it possible to table those results? Yes. To the committee, please? Thank you so much. I appreciate that.

Does Government Relations have a role in approving and allocating grants in each of these categories? It's federal funding, correct?

Mr. MacDonald: — Yeah, so both of those programs . . . There was federal money brought on on the CWWF [Clean Water and Wastewater Fund]. We also had a provincial share, so there was an intake that happened, project selected, and then ultimately paid out from there.

Ms. Ritchie: — And so did you do this . . . Is it a similar kind of intake as the ICIP program then, or did it look different?

Mr. MacDonald: — Thank you for the question. I'd say that they were generally similar. So the project types or the outcomes that those are serving under the Clean Water Wastewater Fund, as an example, are similar to the green stream under ICIP.

[19:30]

And so we've followed similar processes for that adjudication. The only difference I would offer is the complexity of each individual program may change. ICIP has increased some of that complexity in terms of what the federal government requires, as an example. So those would be the major changes that you would see, is making sure that you meet those eligibility requirements of each individual program.

Ms. Ritchie: — The annual report for GR [Government Relations] notes there was \$267.1 million to support community infrastructure projects through federal-provincial and federal-only programs last year. Can you tell us the total amount for this year?

Mr. Miller: — So for this year there's \$267.1 million, with the breakdown of 69.1 million for the Canada Community-Building Fund that would formerly be known as gas tax; 35.36 million for the New Building Canada Fund; and 162.6 million for ICIP this year.

Ms. Ritchie: — And so that's fiscal year up to March 31st, '22?

Mr. Miller: — So this will be till March of '23.

Ms. Ritchie: — Okay. So the Building Canada Fund comes from the federal government and flows through GR to municipalities. How much was allocated in this budget?

Mr. Miller: — So in this budget it's \$35.3 million New Building Canada Fund, which is a legacy that is running out its term. So it will eventually go to zero.

Ms. Ritchie: — The 35.3 will go to zero?

Mr. Miller: — Yes. So that fund will be fully expended in time, and it'll be decreasing. Although it's called the New Building Canada Fund, it's an old fund.

Ms. Ritchie: — Yeah, okay. Just so you know, I'm totally confused right now but we're going to keep going anyways. How many projects does that pertain to?

Mr. MacDonald: — Thank you for the question. So the New Building Canada Fund provides over 240 million total in federal funding and it was divided into two parts, so the Small Communities Fund and the national and regional projects.

Under the Small Communities Fund, it provides infrastructure to municipalities with residents fewer than 100,000. Funding available under this program was 43.7 million each from Canada and Saskatchewan, with the recipients contributing one-third share towards eligible project costs. The program is fully allocated. We have 82 approved projects, and to date 56 projects are complete, with 26 projects currently active.

Under their national and regional projects, it provides infrastructure funding for medium-to-large infrastructure projects. Total funding available under that portion was 393 million, including 196.5 million each from Canada and Saskatchewan. Recipients contributed one-third share to that as well.

The federal portion of that program is unique in that it is administered by the federal government, so on the NRP side, national and regional projects, our share represented in the budget is provincial only. The program is also considered fully allocated with 54 projects approved, and to date 16 projects are complete with 33 in progress.

Ms. Ritchie: — Thank you. Could we have a list of the approved projects provided to the committee?

Hon. Mr. McMorris: — The answer is yes.

Ms. Ritchie: — Thank you.

Mr. MacDonald: — Just another point of clarification. Those projects are all posted on the federal website as well, so they are publicly available. But we can get that list.

Ms. Ritchie: — The ministry received satisfactory compliance audits for the New Building Canada Fund, the CWWF and the PTIF [Public Transit Infrastructure Fund], and a satisfactory financial audit for the GTF [Gas Tax Fund] for 2019. Were there any concerns outlined in these audits that the ministry has followed up on? Are there any outstanding concerns?

Mr. MacDonald: — Thank you for the question. So as you noted, under the audit findings themselves, there was no material findings. One suggestion that was made to us is to go back and ensure that we have documentation of incrementalism requirement underneath those programs, so ensuring that municipalities demonstrate or attest to the fact that without this funding they would not have been able to go forward, which is often the case with any of these projects. But the audit had suggested that we just document that, and so we are going back to those communities to seek those attestations and confirm that.

Ms. Ritchie: — Are these audit reports available publicly?

Hon. Mr. McMorris: — So this is really driven from the federal government. It's a federal government audit. And so in order to release that information, it would have to be released through the federal government.

Ms. Ritchie: — Okay. The ministry also submitted the 2019 annual expenditure report to the federal government by December 31st, 2020. Is that report available publicly?

Mr. MacDonald: — Thank you for the question. Sorry, I was just working to confirm that yes, those annual reports are posted online and available.

Ms. Ritchie: — The annual expenditure reports?

Mr. MacDonald: — Yes. That's with the Canada Community-Building Fund, formerly Gas Tax Fund.

Ms. Ritchie: — Okay. Thank you. Is that the most recent one that's been reported, or is the '20-21 available as well?

Mr. MacDonald: — Our most recent one posted online is '19-20. The 2020-21 has been submitted to Canada, and once approved then it'll be posted and available.

Ms. Ritchie: — Perfect. Thank you very much. I think we're switching gears again. Just a heads-up.

So Estevan, Coronach, and surrounding areas transitioned to new economic development opportunities for workers by the federally mandated phase-out of coal-fired electricity. The first payments were allocated to each community in 2019-20, and both communities continue to identify projects to utilize their remaining funding. Can you tell me when this next payment is scheduled to occur?

Mr. MacDonald: — Thank you for the question. I think the program that you're referring to is what we've called the coal transition assistance program.

That program was initiated in February of 2020, as you mentioned — \$8 million allocated in total to the city of Estevan, 2 million to the town of Coronach. The intent is that provincial funding will be provided to these two communities to enhance economic development initiatives, emerging opportunities, and mitigate the impacts of the phase-out of the coal-fired power stations.

The second payment to those communities has now been made in the amounts of 5.3 million to Estevan and 1.3 million to Coronach, total. And so the third payment is all that's remaining based on progress of the projects. To date, Estevan is reporting 19 projects with total eligible costs of 2.7 million. Coronach has five active projects with total eligible costs of 605,000. And the program requires that they submit a status summary of projects approved at least twice a year as part of the reporting cycle. And then we utilize that in terms of the payment release.

[19:45]

Ms. Ritchie: — I'm interested to know a little bit more about these programs. So it sounds to me like these are sort of community-driven programs. And can you give me a little bit of an understanding of like what criteria they have to meet in order to be eligible to receive the funding; what sort of metrics you're using to assess the success of the program; what the total amount of the funding for the project is — I think you mentioned that there's basically three payments that are being made so that will kind of wrap it up — and ultimately, what the ultimate goal is that will be achieved by the program.

Mr. MacDonald: — Thank you for the question. The funding itself in the distribution to projects, each of those communities and their partners in the surrounding area had the opportunity to work together to define the criteria that ultimately selects the projects. And so that's really community-driven, I would say, in terms of the criteria and selection processes. They manage the intakes and selection on their own. The requirement then is to report back to us on what projects have been selected and that they're ultimately utilizing the funding for.

I can give some examples. So in the city of Estevan, they've created a rural tech hub initiative. It's phase 2 of that project for them. So creation of a physical space and tech conference. They've worked on a feasibility work for an indoor agriculture facility, feasibility work for a fish hatchery and greenhouse. Looking for a marina development potentially at Rafferty Dam. Equipment purchase in terms of some work with FrameTech

there in that area. Feasibility work on a flour mill facility. A rail study feasibility work for canola crush facility as well in terms of the potential opportunities. They've offered some repayable loans for small-business development and feasibility work on a new tourism facility. In Coronach, as an example, they've looked at investment attraction of coal by-products. They've looked at equipment upgrades at some of their tourism facilities and also a partnership around some digital industry work that they want to do there as well.

Ms. Ritchie: — Has there been any training, retraining programs?

Hon. Mr. McMorris: — So I think if you look at the examples that Jeff had given, you'd see that these are more driven around community development, not around kind of HR [human resources] issues and retraining. These are, you know, what can the community do to attract business to look at developing business, to even grants, you know, small grants to small businesses to get them going. That's what the 10 million was allotted for.

I think if you were to ask the Ministry of Trade and Export Development, they would be able to be more apt to talk about, you know, what has gone on in that area as far as retraining individuals, more on the HR, human resources side. That isn't kind of the notion of where this money is going, which was again, this was developed by the community, by Estevan and Coronach.

And they're working groups, and you know, Coronach is the name but it's a number of the communities around that have come up with the ideas and the projects that were put forward but more around, you know, economic development into the community as opposed to retraining.

Ms. Ritchie: — And so can you maybe describe for me what sort of supporting role the ministry played in that process?

Hon. Mr. McMorris: — As far as the retraining, that would again be under Trade and Export Development. But under this it really was, you know, and correct me if I'm wrong, but a pretty open-ended grant to the communities saying, what do you need, you know, to transition from coal? And it was more driven from the community. I mean support where we could. And there was a . . . You know, they had to report back to us to make sure. It wasn't just money handed out with no tangible or results coming back. We had to hear what they were doing and see what they were doing.

And you know, I think Estevan and Coronach both are going through a tough time here. And I think they're still struggling with the fact that, you know, the biggest employer, what their communities were built around, is going to be ripped away from them but have been very, very appreciative of this money and also very appreciative that they can design what they want as far as where this could go. And this is the programs that they've designed. It's all around economic development.

Ms. Ritchie: — Yeah. No. I think that's, you know, really important to have community-driven processes. But I'm also interested in understanding the financial accountability component of it too. So sort of back to that question around objectives, outcomes, metrics, what results have we seen from

this \$10 million initiative?

Mr. MacDonald: — Thank you for the question. The funding itself is governed by agreements that we hold both with the town of Coronach and with the town of Estevan that sets out the parameters of the relationship to release the funding. The payments themselves were made in three staged payments.

And so as I mentioned, we've now released payment no. 2. At the time that you were speaking of last time, we had delayed release of payment 2 just because it took the communities a bit longer to establish themselves, to get their criteria developed, establish a process for project intakes and selection. And so they've now been successful in establishing that and submitted these active projects to us, and so that's what's allowed the release of the second funds.

The final payment will be made once communities can demonstrate that they've allocated the full funding amount to projects that qualify, and that's our way of ensuring that the projects that they're selecting is meeting the requirements.

Ms. Ritchie: — And how much of the funding is provincial versus federal?

Hon. Mr. McMorris: — It's all provincial.

Ms. Ritchie: — All provincial?

Hon. Mr. McMorris: — Yeah, it would be all provincial.

Ms. Ritchie: — Okay. So when I asked those questions about, sort of, project success, I take from your response that that kind of evaluation is happening at the community level then?

Mr. MacDonald: — Yeah, I think that's fair. I mean they establish the criteria in terms of what they want to see in terms of creating that opportunity as part of the coal transition. And so then they're setting the parameters by which in terms . . . Their projects would report back to them in terms of expectations that way.

Ms. Ritchie: — Okay. Thank you for that. I also had some questions regarding property taxes. So:

As part of . . . [the] revaluation, the ministry supports the consideration of the percentages of value to be applied to the assessed values of property classes. In December 2020, the ministry announced the percentage of value for commercial, industrial, elevator, railway, resource and pipeline properties will be 85 per cent compared to 100 per cent [that was] set in 2017 when the previous revaluation occurred. This will be applied to properties starting in 2021 as part of the revaluation cycle across the province.

I understand that comes from page 10 of the GR annual report. I'm wondering if you can tell us what was the reason for this change.

[20:00]

Hon. Mr. McMorris: — So you know, the change in percentage of value from 100 to 85 per cent really stems from kind of where

those industries are at at that time. Knowing that the re-evaluation was done in 2019, so prior to COVID, the change of percentage of value was delayed . . . not delayed but then enacted on the year after because of the downturn that that industry, those industries were going through, to try and cushion them a little bit for that.

Depending on where you want to go on here, it gets very, very complex. The percentage of value might be the easiest to answer, so if you'll go with more questions, I'll be turning it over to Rod.

Ms. Ritchie: — Yeah, I think I saw you indicate that a second ago. So yeah, I appreciate that. That makes sense that that would be the reason. So is it that you see those conditions changing? And if so, at what point might you re-evaluate and make a change?

Hon. Mr. McMorris: — I may be going one question too far here. Who knows? We'll see what the answer is. So generally they stay pretty consistent, especially kind of year over year for the evaluation cycle. And the re-evaluation cycle is a four-year period. So the re-evaluation in 2019, and then seeing what happened with the downturn, COVID, and everything else, it was changed.

Now generally that would stay consistent for the next three years now, because the re-evaluation won't be for another three years. And so then once re-evaluation, I guess it would be budget decision at that time as to whether the percentage of values should change. But because the evaluation assessment, the re-evaluation doesn't change over the next four years, then the percentage of value probably stays consistent. It's not that it couldn't because it's in regulation. It could be changed, but it generally stays pretty consistent through the four-year period from re-evaluation to re-evaluation.

Ms. Ritchie: — I would make the comment that, and I'm going out on a limb here, but I mean the circumstances were exceptional. So you know, making changes, there might be exceptional reasons to re-eval sooner than it would be customary I suppose, but take that for what it's worth.

I'm wondering though if you can tell me what was the lost revenue potential from moving from 100 to 85 per cent in the current budget.

Mr. Nasewich: — Rod Nasewich, executive director of the policy and program services. So because of re-evaluation, generally the growth in the assessed value of the properties offsets any decrease in the percentage of value. So the decision to decrease the percentage of value on commercial resource property to 85 per cent really did not affect the education property taxes that were levied by the province in that year. They were offset by increases in the general growth in the assessment base. In fact commercial and resource property saw a \$5 million decrease in the EPT [education property tax] levy versus the other property classes — residential and agricultural — which increased because of the re-evaluation on those classes of properties.

Ms. Ritchie: — I mean would it not be the case that if I wanted the answer to that question I just have to sort of do the math between 85 per cent and 50 per cent to come up with that

number? Would that be a fair calculation? You're shaking your head, no. I apologize. Just trying to see if I can understand how this works.

Hon. Mr. McMorris: — It wouldn't be fair because you have to take into consideration the increase in assessment through the reassessment. So it's not static from previous assessments because the assessment for many of these properties had gone up, and so that's why then you adjust it with the percentage of value.

Ms. Ritchie: — Mm-hmm. Mm-hmm. Okay. Now you've jumped into the EPT. And how was the determination made to increase the EPT?

Hon. Mr. McMorris: — So I would say, you know, it really stems kind of from the budget discussion. But initially that budget discussion is how do we properly fund education, and what comes out of property tax and what comes out of government GRF [General Revenue Fund], general revenue.

For the longest time and when I first was elected, it was 40 per cent from the GRF and 60 per cent from property tax. When I was first elected I went to many tax revolt meetings because people that were paying property tax, paying 60 per cent of the education bill just off of property, thought that was too high and only 40 from the GRF. We've worked hard to change that formula so that 60 per cent is from the GRF to fund education and 40 per cent is from the property tax. So if you take that 40 per cent, what do you need in revenue to fulfill that 40 per cent? To keep 40 per cent of the education funded off of property tax, what number do you need? And then you look at what we're collecting off of property tax. What do we need to change the mill rate in order to meet that 40 per cent? It was about a \$20 million increase.

We have worked really hard. I think this is only the second or third time, third time that the education property tax has been increased. But we've worked really hard to keep those increases on the education portion to a minimum. This year we've raised it to bring in an extra \$20 million, which then is divided up through the four property classes and the mill rate for each property class so that we get an extra \$20 million off of property. That all goes 100 per cent directly into funding education, which keeps the property owners paying 40 per cent through education property tax and the general revenue paying 60 per cent. So it's a budgetary decision, but it's based on the 40/60 split or the 60/40, whichever way you want to look at it.

Ms. Ritchie: — Do you track, as part of that consideration on proportion of GRF to property taxes, are you tracking the level of provincial domestic ownership as part of that consideration? I know it's kind of a far-fetched question, but I just saw a stat in the newspaper today. It was talking about 41 per cent of properties being owned by foreign investors. And so I mean, you know, sort of this changing nature of who's owning property nowadays, how does that factor into this consideration?

Hon. Mr. McMorris: — So I guess I would just say that, you know, who owns the property doesn't factor in to education portion of property tax. I mean, we don't track if you're a Saskatchewan resident or an Alberta resident with a cottage on whichever lake — Katepwa Lake. The ownership does not factor in one ounce as to what the education portion of property tax

would be. It's based on the assessment. It's based on the property and the assessment of that property.

Ms. Ritchie: — In terms of making that, you know, sort of flipping that around 60/40, I mean what . . . I'm just trying to . . . And I know we're going back a long ways here. But like, I don't really quite understand the rationale. Like, why do you want to put it more on GRF versus on properties? Is it because you're not, you're assuming that there aren't children living at all those properties? Is that where this comes from? Just help me understand that piece of it. I get to ask the stupid questions, because it's not my file.

[20:15]

Hon. Mr. McMorris: — I don't know how long and winding this will be, but you know, to go back into the late '90s, early 2000s, you look at the number of school divisions that there were. And there was a large consolidation of school divisions which was done by the former government. And I applaud them for that because what was happening is there was such a huge discrepancy from school division to school division.

I represented a school division that was a very, very small school division, and their citizens paid very little of education portion of property tax. So what was felt to make it more fair — if that's a word, fairer — was that, first of all, the consolidation happened. And then in 2009 we switched that ratio from 60/40 — 60 off of property tax to just 40 — to bring equity into the system so that it was based on your assessment of property. And everybody paid according to their assessment, as opposed to small school divisions that needed hardly any revenue from the property base because their assessment was so high the EPT could be so low, or virtually none, and they could run a school division off of it.

So that's why the changes were made, I would say, for equity more than anything else, fairness because of a discrepancy in the education portion of property tax across the province. That's my understanding of the history that I kind of lived through.

Ms. Ritchie: — Yeah, I guess, given that the pressures we're under now with underfunding in classrooms, and you know, would there not be an opportunity here to look at that again? To sort of reassess kind of what, you know, the population bases are, who's owning the properties, what the revenue base is. And might it be time for a re-evaluation?

Hon. Mr. McMorris: — Well there's a re-evaluation, if you use the word "re-evaluation," in property tax, there's a re-evaluation every four years.

But I will say that, you know, you're assuming the premise that education is underfunded. We wouldn't agree with that premise. And you can talk about that with the Minister of Education, but a record amount of funding for education from the general revenue, we would say that is not . . .

And you know, I guess that would be a really good platform for a party to run on if that's what they thought was the problem, is look at changing the formula back to 60 off of property tax and 40 out of the General Revenue Fund.

Ms. Ritchie: — Yeah, just for clarification, when I said

re-evaluation, I wasn't meant values of properties. I meant re-evaluation of the formula. Not saying one or the other, just saying, hey, landscape has changed.

I think earlier today you talked about, you know, duty-to-consult — which we'll get into presumably here soon — and 12 years and need for reassessment. So it's the same kind of a question. Like you know, a lot of water under the bridge, lots has changed. Like do you anticipate sort of like re-evaluating the formula between that split between the two?

Hon. Mr. McMorris: — Right. And you know, I mean, again this would probably be more to the Ministry of Finance. We are the ones that are asked, for example, we need this much from the property base and what does that look like from the mill rates. So that is our decision-making process. It would be more Finance.

But I will take, you know, a step out on the diving board here. We're pretty happy with where it's at. We've campaigned on the fact that it would be 40 off of property tax, 60 through the General Revenue Fund. And you know, again I would welcome your party to stand out and say it should be changed.

Ms. Ritchie: — So you mentioned the property categories a moment ago. How was the determination made to change the mill at each of the property categories?

Hon. Mr. McMorris: — So I'd say the answer to the question would be, there's a lot that goes into it. It's a budgetary decision-making process, and there's a lot that goes into it.

First of all, I need to mention that in the 12 years that we've been under this formula, this is only the third time that EPT has increased. So we've been able to hold it very static over the 12 years. Having said that, because we wanted to stay close to the 40/60 split, the EPT is collecting \$20 million more.

Then you look at the four classes that it's taken off of. You want to be as fair as you can through all of them. It's roughly a 2 per cent increase across the board for each class, save for a little bit between industrial and ag. But you're looking at how do you distribute that increase of education funding off of property. How do you distribute that equitably, as fairly as you possibly can over the four classes?

And it really becomes, you know, more than anything else a mathematical equation. Like how do you keep it equal? Each one has to go up so much and not overburden . . . You could, I guess, if a government felt like it, could take it off of all residential and see that mill rate go up. You probably couldn't take it all off of industrial because it's already high compared to the ag, for example, that would be a lower percentage. So those are the thoughts and the process that we land on when we come to the mill rates that we have for the '22-23 budget.

Ms. Ritchie: — Okay. And now just to get a little more granular, what is the increased amount anticipated to be raised by category with that most recent increase in EPT?

Mr. Nasewich: — Sure. I can give you those numbers. So overall, EPT revenue is expected to increase from 777 million to 797 million from 2021 to 2022. For the agricultural property class, last year it was 54 million in EPT revenue out of that class.

This year it'll be 57 million. So it's an increase of 3 million.

For the residential property class, last year it raised 382 million of the EPT revenues. This year it'll be 393, so that's 11 million. Commercial, industrial was 199 million last year, and this year it'll be 202 million, so a gain of 3. And for the resource sector, last year it was 142 million in EPT revenue. This year it's projected to be 145, so it's an increase of 3.

I'll just add, on the 20 million, it's sometimes important to note that the general growth in the assessment base of the province, new properties being added and assessed, added 6 million of that 20 million. And then 14 million was as a result of the increase in the rates. So the 6 million is sort of natural growth, I guess we call it.

Ms. Ritchie: — Okay. Grants-in-lieu has decreased in the budget. What was the reason for that?

Mr. Miller: — So grants in lieu of taxes program provides grants to municipalities to cover the estimated property tax for buildings owned or managed by the Ministry of SaskBuilds and Procurement. So in this budget, the decrease of 400,000 represents basically a decrease in value, '20-21 being the re-evaluation years. So there was a decrease in value in the cities of Moose Jaw, Weyburn, and Saskatoon, which was primarily offset by increase in tax assessment to Regina. So when you look at the puts and takes there, some decreases and a little bit of increase, it nets out to a decrease overall of 400,000.

[20:30]

Ms. Ritchie: — Just so I understand that a little better, so you're talking about, sort of, government-owned properties and their valuation, and you're saying that that reduced by that amount. Right?

Mr. Miller: — Correct, yes.

Ms. Ritchie: — And how is it that those values would be decreasing by that amount?

Mr. Miller: — So those values were the result of the re-evaluation in those communities.

Ms. Ritchie: — Sure. No, I guess what I'm asking is, like were the properties, were there fewer properties? Was the state of the properties somehow diminished? I just don't . . . Why would those values be lower than previous?

Mr. Miller: — Thank you. So a little deeper, the municipalities do the assessment. That assessment is provided to SaskBuilds and Procurement. We don't have sort of the details of how to ascribe the drop in values, but that's something that I think SaskBuilds could speak to in terms of this particularly. It could be, overall, the assessed values, or it could be the number of properties. I'm sorry, I don't have the detail of that.

Ms. Ritchie: — And that would be government-wide, would it?

Mr. Miller: — Yes, SaskBuilds represents all government, sort of, footprints in those communities.

Ms. Ritchie: — Okay. All right. So we see that under municipal relations, revenue sharing is down just under 5 per cent for all three categories — urban, rural, and northern. It's a reduction of 13.2 million. Can you please explain why we see that reduction?

Hon. Mr. McMorris: — So municipal revenue sharing was a program that was brought in shortly after we became government. And it was all designed so that there was some consistent, predictable funding that would go to municipalities with virtually no strings attached other than having to meet certain criteria, which we've already visited tonight, and you know, the communities that aren't and the communities that are.

That is a formula that was agreed upon by government and municipalities and has been an extremely successful program. It is calculated, a very, again, mathematical calculation. You take the PST [provincial sales tax] that was collected in the province from two years previous. You take three-quarters of 1 per cent of that PST that was collected to your previous, which gives you a number. This year it's 262 million. That number then is divided through the three classes — cities, towns, villages, and northern — and so that 262 then is divided. And we already had the one example of a community at 110 people and what their revenue sharing would be. But the total number is calculated on three-quarters of 1 per cent of the PST collected two years previous.

Last year our revenue sharing to municipalities was 275 million. That 275 million was a direct calculation of three-quarters of 1 per cent from two years previous. So why it dropped down, of course, is the pandemic. When revenue — and I've got all sorts of media clips — when municipal revenue sharing was introduced, mayors, reeves, community leaders were quite happy because if the PST goes up, they all benefit. And as many quoted, if the PST happens to drop, then they would also share in a bit of a reduction.

PST has been for the most part going up year over year over year until two years ago when COVID hit. I think a lot of people . . . And I was lobbied very hard by many municipalities that this is going to be devastating to the municipal revenue sharing. It went down about 4.6 per cent, I believe, is what the number is. From 275 to 262 is about a 4.6 per cent drop. Most municipalities when talking one-on-one went, phew, that's all it dropped. Some have been public and don't feel that now they should share in the reduction of the PST through municipal revenue sharing.

I had said just kind of candidly, at SUMA last week or the week before, that if they don't want to see a drop, we could change the formula and go up to the 275 and lock it in for 10 years. In other words, if that PST increases, you won't be part of it. I didn't have any mayors coming up to me and taking me up on my offer.

No one wants to see a drop in your revenue — we don't as a provincial government — through PST. But they realize that this is what we all hope is a one- or two-year glitch. And I really believe this coming year and years to come, we will far surpass that 275 million that was the high year last year.

Ms. Ritchie: — Last night in estimates for Environment, I was asking some questions about the national energy code. And that code came into effect January 1st, 2019. Can you tell me what is planned for implementing . . . Sorry just to clarify, that was the National Energy Code for Buildings 2017. There was another

code for 2020.

There has been quite a bit of a push to have new buildings constructed to net-zero energy ready standards by 2030, and indeed energy Efficiency Canada is recommending that that be implemented by, I believe it's 2028. So what is the current plan for updating the National Energy Code in GR?

Mr. Hawkins: — Thanks for the question. I'm Bill Hawkins, executive director of building and technical standards. The National Energy Code for Buildings was adopted in 2017, or the 2017 edition was adopted, as you said. It implemented throughout Saskatchewan after consulting with various groups and stakeholders that had an interest in the construction sector and an interest in building and an interest in implementing energy. That included municipalities. It's all a reasonable review. It's been successful.

Moving forward, the 2020 edition of the National Energy Code for Buildings was published on March 28th, just a few short weeks ago. We are reviewing it closely and examining the impact that will have on builders, on consumers, on citizens across Saskatchewan. We note in the 2020 energy code there are four steps that allow increased energy efficiency F, one step to the next.

When our review is complete, we will make recommendations to government on how to proceed or what we would recommend proceeding. We'll take into consideration the concerns and information that we can garner from stakeholders, municipalities, and other code users across Saskatchewan.

We are certainly conscious of the 2030 commitments, the net-zero ready commitments that go along with that. And we're interested in seeing how that can play out in the economy and with builders and how readily they can achieve some of those goals. Because we're also concerned about the impact it has on affordability and people's interest in moving forward in purchasing new homes.

Ms. Ritchie: — Yeah, for sure, costs for construction. Of course, there is also the . . . Well maybe I'll stick with just that. Are you looking at, sort of, like operating costs as part of that evaluation or just capital?

Mr. Hawkins: — Well it has to consider both because the life-cycle costs of a building have to take into consideration the cost of operating it over a period of time. When we go back in history and looked at the costs of buildings, we typically only looked at the capital cost of construction.

With advances in energy efficiency, with advances in the code provisions that provide for energy efficiency and the expectation, we've seen a result that lenders, consumers, and others are taking into account what the cost of energy will be over a period of time and entering that into the overall value of construction. When it's dealt that way, it has a positive impact on consumers' ability to access financing for homes and so on. So we anticipate it will continue to move in that direction, and we'll look at life-cycle costs as opposed to just capital and operating costs. That answers your question?

Ms. Ritchie: — Yeah. Just wondering also to what degree

reducing emissions from the building sector is also factoring into those decisions.

Mr. Hawkins: — Could I ask for some clarity on that question?

Ms. Ritchie: — Well you mentioned to me, you know, talking with the building sector. You talked about, you know, affordability. I'm asking to what extent achieving a certain overall reduction within the sector is also a part of that consideration.

Mr. Hawkins: — Thank you. Thank you again for the question. As I understand it, it's relative to how we look at GHG [greenhouse gas] emissions and the impact on the construction sector, correct?

[20:45]

Ms. Ritchie: — Yes.

Mr. Hawkins: — It is very early in this process. We adopted the National Energy Code for Buildings for the first time in 2019, still gathering information on its effectiveness. Where we go in terms of advising, briefing up to government officials, to our elected leadership on the issues, has to be developed yet. The 2020 edition of the code, as I indicated early, was only published on March 28th. Our review is just in the infancy stages. We have not completed that. We don't know what impact exactly it will have on the reduction of GHG or how far government chooses to go in the steps, the impact it'll have on the sector itself. So it's something we have to look at, but that will take some more time to assess and collate and prepare.

Ms. Ritchie: — Well it's a good thing I'm wearing a mask because you wouldn't want to see the expression on my face right now to that answer.

It's not early days. In 2019 I believe the Minister of Environment committed to reducing greenhouse gas emissions by 20 per cent by 2020. And so your government has been apparently actively working on measures to reduce emissions. And yet every time I ask this question, no matter who I put it to, I'm told that, oh, we're just starting to look at that and we don't have any answers. And yet we all know that the clock is running out. And so I'm sorry, but those kinds of responses aren't sufficient any longer. Energy . . .

Hon. Mr. McMorris: — If I could just answer that, please. You're asking officials to comment on a report that is mere weeks old. And you think that they should have a strategic plan moving forward when they've just received a report.

Ms. Ritchie: — No, that's not what I'm asking.

Hon. Mr. McMorris: — Well no, that's what you said, and that's just not acceptable.

Ms. Ritchie: — I'll have you please rephrase.

Hon. Mr. McMorris: — The officials are doing their work and will continue to do their work and advise government as best they see fit when they have looked at all the ramifications of the report.

Ms. Ritchie: — Yes.

Hon. Mr. McMorris: — So I won't take you . . . I won't take going after the officials when they've only received a report two to three weeks ago.

Ms. Ritchie: — I direct my comments to you, Mr. Minister. And I appreciate and acknowledge that the report was only just tabled. I'm not speaking about that report. I'm talking about overall policy within the ministry, not as it relates to that particular code.

Hon. Mr. McMorris: — The only thing is, is that's what you started with. That's what you asked about.

Ms. Ritchie: — Okay. So, my apologies. I'm not directing it at that.

Hon. Mr. McMorris: — Okay. And then if you want to get to the overall government policy, you're right. You'd be talking to the Minister of Environment.

Ms. Ritchie: — Okay. But when I put questions to one minister, then they send me to another. So I run into these challenges of gaps in answers, and I'm asked to take it to a different minister. So I'm here today trying to do that.

Efficiency Canada, in its latest report card, scored Saskatchewan 9th out of 10, so just one below the bottom. It was a grade up from the year previously, where it was in last place. And to your ministry's credit, the saving grace in that bump up in the rankings was the enabling of legislation that allowed for energy efficiency improvements in municipalities with the property assessed clean energy programs. That was something that had, I believe, come forward from the city of Saskatoon in order for them to launch a home energy loan program.

There seemed to be some opportunities here to expand and make that program available province-wide. I'm wondering if your ministry has any intentions of doing that.

Mr. Nasewich: — Thanks for that question. Those provisions that you mention that Saskatoon is using for their program, we enabled those provisions in all three municipal Acts, in the amendments that we made to them in 2019-2020 legislative session. So that ability to do those kinds of programs which, as you mentioned, allow for energy efficiency, environmental kinds of improvements to properties to be worked out with the owner and put on their taxes over a period of years, that ability exists in every municipality by their design. It's a discretionary program that they can develop for their residents, and the three municipal Acts allow for that in every municipality in Saskatchewan.

Ms. Ritchie: — Is there anything that's being done to promote the program across the province with all municipalities?

Mr. Nasewich: — I would say other than informing them that it was in legislation, we consulted all the municipalities as well as . . . and the municipal associations, I should say, on those provisions. No concerns with them. The ministry put them in the bulletins that we regularly provide when we do amend the legislation. So it's more of an awareness that it's there. As ADM [assistant deputy minister] Sheldon mentioned, if advisors were to get a call about how they work, you know, the ministry would

certainly be able to advise.

Ms. Ritchie: — I understand though that Alberta and Nova Scotia have province-level programs with some kind of additional incentives. Have you had an opportunity to look at those and see their application in Saskatchewan?

Mr. Nasewich: — No, we designed those provisions to be entirely at the discretion of municipalities. It's their programs that they can design, and again by agreement with their property owners, with very little prescription and oversight from the province.

Ms. Ritchie: — Thank you very much. I think in the interests of time I'm going to switch over to the First Nations, Métis and Northern Affairs subvote. So I understand that there is a northern trust fund overseen by a board of trustees, and I believe last year there were some vacancies on that trust. Have those now been filled and has that board been meeting regularly in the past year?

Hon. Mr. McMorris: — So you're correct. You'd asked the questions, or whoever had asked questions last year regarding the northern trust fund. And regarding the board, there were vacancies last year and even more through the pandemic because they weren't able to meet.

The board has been reconstituted. The names have been forwarded, notified. They've been through cabinet, through an order in council. All have been notified and the board will be meeting shortly. I don't know if we have a timeline. We don't necessarily have a timeline yet, but meeting shortly to resume the work as they had prior to the pandemic. But due to the lack of being able to get together, meet, and with resignations and further terminations, . . . not terminations, expirations of board members — it's getting late — it's been reconstituted now.

Ms. Ritchie: — Okay. So how long has it been since the board met?

Hon. Mr. McMorris: — So the last meeting of the board, I'm told, was in the spring of 2020. You know, I'll just leave it at that.

Ms. Ritchie: — Okay. Now would I be correct in the understanding that, in order for the funds to be allocated, the board would need to sort of meet and approve? So if they haven't met for two years, does that mean that no funds have been disbursed?

Hon. Mr. McMorris: — So what I would say is that the board is an advisory board. It advises government, GR, as to what should happen with the funds. In lieu of that advice or the board advising government, the ministry has the responsibility then, or authority, to distribute the funds.

Ms. Ritchie: — Okay. And how much is allocated in the current fiscal year?

Hon. Mr. McMorris: — So the budget this year is \$50.5 million, and that's a budget that would see a very small surplus of about \$440,000, is what the budget is.

[21:00]

Ms. Ritchie: — And how does that compare to last year? Is that . . .

Mr. Green: — Thank you for the question. Last year's Northern Municipal Trust Account budget was 59.68 million. And just on forecasting of the activities we are projecting about an \$800,000 deficit of that. That's not what happened in the end. In the end we saw 38.86 million in revenue and 37.94 million in expenses for a surplus of almost 900,000. I think the biggest chunk of difference was that there's a number of infrastructure projects that were deferred during the pandemic, that didn't proceed.

Ms. Ritchie: — Okay. Now I'm just hoping I understand this correctly. So if the monies aren't disbursed, they remain in the trust for future allocation. Is that correct?

Mr. Green: — That's correct.

Ms. Ritchie: — Okay. And so how much is in the fund as of year-end?

Mr. Green: — We came into this budget year with net financial assets of 43,328,000.

Ms. Ritchie: — Okay. I think that's down from the year previously where it was at 49. Is that right?

Mr. Green: — We came into the budget year last year with a net financial number of 37,429,000.

Ms. Ritchie: — Okay. And so what kind of fund is that? Like is it receiving like a bank interest rate, or is it a government fund? Where does the money reside?

Mr. Green: — Thank you for the question. The Northern Municipal Trust Account is a special fund outside of the GRF. It is part of Government Relations summary financial statements. Any funds that it would have in trust are temporary investments on the balance sheet, would be in various . . . It has the ability to invest in funds into local credit unions and so forth in the North. And that's where those funds would be.

Ms. Ritchie: — Okay, so it is earning interest while it's in the trust account. Okay. And so, in the past year, can you please tell us what projects were funded and for how much?

Mr. Henry: — Hi. I'm Brad Henry, executive director of northern municipal services. Primarily with respect to the projects that we invest in in the Northern Municipal Trust Account, it's primarily water and sewer infrastructure. We roughly invest about \$10 million a year into northern water and sewer systems, and those investments are related to the capacity, condition, and regulatory compliance of those systems. That's how we prioritize those investments. Recently we've been investing in solid waste management infrastructure as well, and that's where the vast majority of the infrastructure funding comes from, or goes to.

Ms. Ritchie: — Okay. Would you be able to table a list of projects and amounts for those expenditures in the past year?

Mr. Henry: — Sure.

Ms. Ritchie: — Thank you very much. Okay. So I see that for salaries there was 2.9 million which was the same as the year before. How many FTEs [full-time equivalent] does that fund?

Hon. Mr. McMorris: — If we could maybe just get some clarification, number one, on what year you're referring to, and where did you get the number of 2.9 million in salaries? Because we're having trouble finding that, so we don't want to answer on a number that we're not really sure where it came from.

Ms. Ritchie: — Certainly. I believe that's (GR12)? Yeah, I believe that's page 64. Yeah? You're there? Okay, great.

Mr. Miller: — Thank you. That number of 2.9 million is for the FTEs associated with the First Nations, Métis and Northern Affairs, the entire branch. And that particular number doesn't include the FTEs associated with the NMTA [Northern Municipal Trust Account].

Ms. Ritchie: — Okay, the NMTA. Okay, yeah, sorry. I switched gears on you there because I was just looking at the . . . My questions at this point are pertaining to (GR12), just for clarification there. And again, could you tell me that number?

Mr. Miller: — So the number associated with salaries is 2.92 million. And it's associated with the FTEs for the portion of the ministry that is the First Nations and Métis, Northern Affairs division.

Ms. Ritchie: — Yes, and how many?

Mr. Miller: — How many FTEs?

Ms. Ritchie: — Yes.

Mr. Miller: — It's 30.

Ms. Ritchie: — Thirty. Okay, great. I wonder if you can tell me how many of those employees are . . . where they're located. Like how many do you have in Regina versus maybe some other satellite offices?

Mr. Miller: — Thank you. So of the 30 FTEs that I just mentioned, 21 of those FTEs are located in the North and nine in Regina.

[21:15]

Ms. Ritchie: — Can you be a little more specific? When you say the North, are they all in one location, or where would they be located?

Mr. Miller: — So with respect to the 21 in the North, 20 are in La Ronge office and one FTE in Buffalo Narrows.

Ms. Ritchie: — Okay. I noticed there is this very significant increase in transfers for public services, up from 35.4 in '21-22 to 62.3 for the current fiscal. I wonder if we could have a breakdown of those transfers and also how much of that is federal money.

Hon. Mr. McMorris: — So I think what I'll do is I'll just compare last year's to this year. And last year there was

\$35 million. That was really a straight grant agreed upon. There was no revenue in to offset that 35 million because the money that goes toward this budget item is from casinos, both SIGA [Saskatchewan Indian Gaming Authority Inc.] and SLGA [Saskatchewan Liquor and Gaming Authority]. Of course they weren't operating. There was no profit from those at all, so the 35 million was straight across grant. This year it's \$61.461 million . . . point nine, so 61 or 62, we'll say. And that is all based off of the projections from casino revenue.

Ms. Ritchie: — So you're saying that that's money that's flowed out of GR to SIGA? No, I think I've got that wrong. Where is that money, where is that money going?

Mr. Donais: — Good evening. My name is Laurier Donais, assistant deputy minister with the Ministry of Government Relations. So as I understand, your question is with regards to the gaming agreement funding. And so the way this works is the casinos in the province, so the SIGA-run casinos, they earn net profits. Those profits get paid into government, and then they get distributed out of government. And so those profits are distributed roughly . . . and I use roughly because there's some amounts that come off the top, but 50 per cent goes to the First Nations Trust, 25 per cent goes to the community development corporations of which there are six operational right now, and then there is the remaining 25 per cent stays with the General Revenue Fund.

And then on the government-run casinos, so Saskatchewan Gaming Corporation side of things, again that net profit is distributed. Fifty per cent goes into the General Revenue Fund. There's 25 per cent that goes to the First Nations Trust, and then 25 per cent doesn't come within GR's subvote. That's with Parks, Culture and Sport. And it's the Community Initiatives Fund that receives that remaining 25 per cent, except for . . . Sorry, there is a small piece there that goes to the Métis Development Fund of that 25 per cent, and that you do see in Government Relations budget.

Ms. Ritchie: — So when you say the community development corps, you mentioned four I think?

Mr. Donais: — Six.

Ms. Ritchie: — Six. Okay. And which ones are those? Like community based . . . sorry. Which communities?

Mr. Donais: — Yeah, so those are community development corporations that are set up. They're attached to the SIGA-run casinos. So there are four of those. Their funding is dependent upon the net profits from that particular casino, and so they basically set them up. They're non-profit corporations. They are set up sort of in that area. And so they include . . . They're called catchment areas. And so they include the First Nations in that area. They include some municipalities. Like quite often you'll find, you know, a town or a small city included in that catchment area.

And so the actual CDCs [community development corporation]: there's the Gold Eagle community development corporation in Prince Albert; there is the Dakota Dunes community development corporation, which is just south of Saskatoon; there's the Painted Hand community development corporation in

Yorkton; there is the Bear Claw CDC, which is at White Bear First Nations; there's Living Sky CDC in Swift Current; and there is the BATC [Battleford Agency Tribal Chiefs], it's Battleford agency tribal council CDC, located in North Battleford.

Ms. Ritchie: — Okay, does the pandemic sort of explain that change we see between the two years? Yes, you're nodding. Okay, thank you. And so for both years, is that SIGA-funded or is there any other contribution coming in?

Mr. Donais: Yeah, so for the prior two years, so 2020-21 and 2021-22, that pandemic support was fully funded by the Government of Saskatchewan, the GRF, because the casinos were basically closed or had, you know, limited clients or patrons that could attend those casinos. And so their net incomes, it was recognized that it would be very minimal. And so there was no funding from the casinos for those two pandemic years.

Beginning April 1st of this year, '22-23, because casinos are open and, you know, patrons can attend those casinos, they do expect to earn profits. And that's, basically, we have reinstated the provisions of the gaming framework agreement to occur again now. And so that funding is tied to those budgeted profits for those casinos.

Ms. Ritchie: — Okay, great. Also want to look at the transfers to individuals. I'm wondering if you could explain what that entails and if there's sort of a breakdown you can provide in terms of allocation.

Mr. Donais: — Thank you for the question. In terms of the transfers to individuals, I assume it's the 735,000 that you're looking at there. So if you just look up in the estimates there, you'll see treaty land entitlement for 335,000. And so that's a tax loss compensation for land, that when land transfers over to reserve status, there's funding that goes into a fund that provides, basically, funding to rural municipalities to offset the loss in property tax that they would receive on that.

And then the next line you'll see below is the First Nations and Métis Consultation Participation Fund for 400,000. And so that receives an increase of 200,000, which the minister had mentioned in his opening comments.

Ms. Ritchie: — Okay. So I just want to understand the TLE [treaty land entitlement] amount. So does that account for all TLE land, like across the province, and any deferred . . . I'd like to understand how you arrive at that amount. And I don't want to make any guesses because I think I'm probably off the mark.

Mr. Donais: — So the amount is really . . . I mean it's dependent on the amount of land that gets transferred over to reserve status in any given year. And so the amount that you see there is kind of based on past history and sort of how much has gone into reserve status. And so it's a one-time payment that's made into these funds. One of the funds is administered by the Saskatchewan Association of Rural Municipalities, and that's for the property tax side of things, to provide that equivalent I guess that the municipality would not be receiving. And then there's also a portion that goes into an education property tax fund that, I believe, it's the Ministry of Education that administers.

[21:30]

Ms. Ritchie: — And so is it like taking the interest off it to pay the property taxes essentially?

Mr. Donais: — That's right. That's invested in those funds, and the returns on those funds are intended to cover off those payments that would be replacing those property taxes or education taxes.

Ms. Ritchie: — Okay. So you make some assumptions and forecasts to arrive at a value for the year going forward to determine what that amount's going to be for the current year. Is that correct? The 335.

Mr. Donais: — Really, really as I said previously, the 335 is really based on past experience, because it's the actual amount of money that goes into these funds based on the amount of land that's transferred to reserve status in that fiscal year.

Ms. Ritchie: — Okay. Okay. I gotcha. I gotcha. Is there any federal money that is part of that?

Mr. Donais: — No.

Ms. Ritchie: — No.

Mr. Donais: — That's all provincial money.

Ms. Ritchie: — Okay. And pardon me, I'm not sure. Perhaps on Monday night you provided an explanation of the Consultation Participation Fund. I just wonder if you could just give me a quick overview of that, the increase from the 200 to the 400, if you wouldn't mind.

Ms. Carani: — Hi there. I'm Susan Carani. I'm the acting assistant deputy minister of First Nations, Métis and Northern Affairs. And to answer your question considering the Consultation Participation Fund and the 100 per cent increase on it, it's based on the use of the fund over the past five years. It has been used in excess of what the amount we've budgeted for, and we've always been able to cover the costs for projects that have been put forward to the fund.

Ms. Ritchie: — And so by that do you mean that, say in '21-22 when there was 200, that the costs exceeded that so now you're trying to accommodate that with the go-forward?

Ms. Carani: — By doubling the amount.

Ms. Ritchie: — Okay. Has there ever been any changes otherwise in terms of, you know, the program and how the funds are being disbursed, or is it just based on sort of demand?

Ms. Carani: — It's based on demand. It's based on uptake that First Nation and Métis rights-bearing communities, they're advised and notified when any development is taking place in their communities, and it's based on their uptake of that fund.

Ms. Ritchie: — What about in terms of the urban treaty land reserve space? Are you anticipating there being, are there any agreements under way or in the works for TLEs?

Ms. Carani: — We're just looking for clarification. You talked about urban reserves and you talked about agreements, TLE agreements.

Ms. Ritchie: — Well maybe I better stick to my notes here. Any creation or work on urban treaty land reserve space in recent years?

Ms. Carani: — There's always ongoing work with regard to urban reserve creation in Saskatchewan. There's 34 First Nations right now who are able to select land anywhere in the province, including urban municipalities. And there are a number of what we call selections in place in different municipalities, and that takes some time to resolve interests before they are transferred to reserve. We have 65 urban reserves in Saskatchewan that are established right now.

Ms. Ritchie: — And in terms of in rural municipalities, is there another grouping in that space as well?

Ms. Carani: — Yeah, because First Nations can select land anywhere in the province on a willing-seller, willing-buyer basis there's anywhere from, you know, 500,000 to a million acres at a time that we're looking at. We've been doing it for 30 years, so it's a well-established process. There's always land selections going on in this province.

Ms. Ritchie: — With the Métis Development Fund, or I guess part of the Clarence Campeau Development Fund, can you provide a bit of an overview in terms of how these funds are distributed?

Mr. Donais: — Thank you for the question. Just to clarify, it's the 1,175,000 that your question was based on?

Ms. Ritchie: — Yes.

Mr. Donais: — For the Métis Development Fund?

Ms. Ritchie: — Yes, please.

Mr. Donais: — Yeah, so again those monies are determined from the profits of the Saskatchewan Gaming Corporation. Those Saskatchewan Gaming Corporation profits are split 50 per cent to the GRF, 25 per cent to First Nations Trust, and then 25 per cent goes to Community Initiatives Fund and the Métis Development Fund. The first 10 million of that 25 per cent, 8 million or 80 per cent goes to Community Initiatives Fund, and then 2 million or 20 per cent goes to the Métis Development Fund. Any amounts over that 10 million are split 50/50 between Community Initiatives Fund and the Métis Development Fund.

And so that's how the 1.175 million is determined. The Métis Development Fund is actually, the designated fund is the Clarence Campeau Development Fund, and so those funds are paid to CCDF [Clarence Campeau Development Fund] for economic development purposes. So they have a number of programs that they provide to Métis entrepreneurs, Métis businesses, Métis communities to support economic development.

Ms. Ritchie: — And so then, okay, I think we've gone over that number already, the 60 million previously. You also had, in last

year's budget, 35 million for pandemic support. Can you please tell us how those funds were allocated?

Mr. Donais: — Thank you for the question. So the 35 million pandemic support, it was determined . . . There was a memorandum of understanding that was signed between the government and the Federation of Sovereign Indigenous Nations. And so the split there of the 35 million, there was 1.2 million that was allocated to the Métis Development Fund, so the Clarence Campeau Development Fund.

The remainder was allocated to the First Nations Trust. So 28.702 million was allocated to the First Nations Trust, and then to the six community development corporations there was the remaining 5.065 million. So the Northern Lights CDC received 1.858 million; Dakota Dunes CDC received 1.732 million; the BATC, so the Battlefords agency tribal council CDC received 805,000; the Painted Hand CDC received 476,000; the Bear Claw CDC received just under 71,000; and the Living Sky CDC received 121,000. And again those amounts were determined through a memorandum of understanding between the FSIN [Federation of Sovereign Indigenous Nations] and the Government of Saskatchewan.

Ms. Ritchie: — Thank you for that explanation. Mr. Chair, that does conclude my questions for this evening. I want to thank the minister for his time. I want to thank his officials as well for being present. It's been a long evening. I think we're all kind of getting a little tired, but I appreciate everyone sort of sticking it out and answering my questions. I also want to thank the Clerk and Hansard for their assistance this evening with these deliberations, and for everyone's participation here. Thank you.

The Chair: — Thank you. Since there are no more questions, we're going to adjourn consideration of these estimates. And I'm going to give the opportunity to the minister for some final comments and leave it at that.

Hon. Mr. McMorris: — Before I make my final comments, I just would want to make sure that there is agreement within the committee and the opposition that we were to be here for four hours and we're going to quit a bit early, like 15 minutes early. But we agree that this was a four-hour segment so that we can account it to the 75 hours that are needed to cover off estimates. Is that agreed by everyone?

Ms. Ritchie: — I'm not sure I understand the question.

[21:45]

Hon. Mr. McMorris: — So we were to go from four hours, 6 to 10, and we're stopping a bit early. And that's fine with me as long as we agree that it was a four-hour segment, and not being called back for 15 minutes or that estimates need to be extended for 15 minutes on some other estimates.

Ms. Ritchie: — Oh, I don't . . . Rest assured. Most certainly.

Hon. Mr. McMorris: — Okay, we have agreement that it's a four-hour segment. Perfect.

The Chair: — Yes, that's my understanding. We have agreement. This is a four-hour segment.

Hon. Mr. McMorris: — Great. And actually my closing remarks are 15 minutes long. So it's going to work out quite nicely.

The Chair: — Minister, enjoy your 15 minutes.

Hon. Mr. McMorris: — Yeah, I know how to clear the room, that's for sure.

Anyway I just want to first of all thank the critic for filling in and filling as much time as you did. That's amazing. I've been on that side of the room, and to fill into a new critic role without a lot of experience, I would just want to compliment you on the work that you did and the questions you asked tonight. It was great.

I want to thank my committee members, colleagues. Some of you have been sitting this 6 to 9 or 10 shift for a few nights in a row, and I really appreciate you being here so that we can fulfill our commitment. And to the Chair for being here as well and allowing us to answer the questions that we need to answer for full disclosure to the public.

I really want to thank all the officials that I have seated behind me. They do an amazing work every time that I go through these estimates, and it's been a little while that we've done it in this setting. I'm amazed at the information that they have and they bring and the ethic to, if they don't have the answer, to absolutely commit to get the answer. And I just really want to thank all the officials for all the work that they've done. I don't know where else you'd want to be in a blizzard on a Wednesday night. But we're here.

And I really want to also thank my deputy minister, Greg Miller, for all the work that he's done. I'm sad to say that this will be his last estimates as the deputy minister of Government Relations. He'll be moving on back to kind of where he came from, the education sector, to the Regina Public School Division as the director of education. And what a great job he's done.

You know it's been a really interesting two years. I've been the minister for about a year and a half and we've done so many meetings virtually, not getting to know each other the way normally a minister would get to know, or the officials would get to know the minister. But I just want to thank everybody for their patience over the two and half years.

Thank heavens for SARM and SUMA. I think it was the first time we all got to be in the same room together and actually see other eye to eye. And you know, the province is very, very well served by our officials here in Government Relations, and especially through our deputy minister. So thank you very much. With that I'll close.

The Chair: — Thank you, Minister. And I will close off myself as well.

And I'd like to thank Danielle from the Clerk's office. And we had double Hansard tonight because you can't leave me unsupervised with just one, so we had double. And the committee, thanks. Ms. Ritchie, thank you for your efforts tonight. Minister and your officials, again thank you so much for being here. And Mr. Miller, we'll see each other again, probably for the next few weeks.

So with that, that concludes our business for today. So I'm going to ask a member to move a motion of adjournment. Mr. Ottenbreit has moved. All agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. So this committee stands adjourned to the call of the Chair. Thanks so much, everyone.

[The committee adjourned at 21:48.]