



STANDING COMMITTEE ON PUBLIC ACCOUNTS

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**STANDING COMMITTEE ON PUBLIC ACCOUNTS
2004**

Mr. Elwin Hermanson, Chair
Rosetown-Elrose

Mr. Lon Borgerson, Deputy Chair
Saskatchewan Rivers

Mr. Glenn Hagel
Moose Jaw North

Mr. Glen Hart
Last Mountain-Touchwood

Mr. Ken Krawetz
Canora-Pelly

Mr. Kim Trew
Regina Coronation Park

Mr. Kevin Yates
Regina Dewdney

The committee met at 10:30.

**Public Hearing: Government Relations
and Aboriginal Affairs**

The Chair: — Good morning. Call the Public Accounts Committee meeting to order. We have a fairly aggressive agenda again before us. We have some unfinished business from last week. In spite of Mr. Cotter suggesting that last week would be his last appearance before the Public Accounts Committee, here he is back again. So he's . . . he may be a great public servant but not a prophet. We welcome the auditor and his staff back. We welcome the comptroller's officials here and we will get underway immediately so that we can cover as much as possible.

Last week we were looking at chapter 7 of the 2003 *Report of the Provincial Auditor*, Volume 3 on Government Relations and Aboriginal Affairs. There are a number of recommendations in that chapter. We had covered part of it; I believe the northern revenue-sharing area we didn't complete. Therefore I don't think we need a report from the auditor. I don't think we need a response from the deputy minister and his officials. But if there are any questions, I would allow some time for questioning before we go on to deal with the recommendations. Mr. Hart.

Mr. Hart: — Yes, thank you, Mr. Chair. I know we've covered some of this in the last, our last meeting. But as a result of some of the information that was provided at the last meeting I actually have a couple more questions that I'd like to get some clarification on.

It says on page 188 of the auditor's report that there was \$28.5 million in payments under the First Nations gambling agreements. Could you provide . . . Mr. Cotter, could you provide a breakdown of those, of that number of 28.5? How many agreements did that money go to and the amount for each fund, I guess, that money was allocated to?

Mr. Cotter: — Thank you. I didn't bring that material so that . . . I was anticipating that we were going to do NRSTA (Northern Revenue Sharing Trust Account) but I can obtain it for you. I can give you some general understanding of the division of the money with respect to First Nation gaming agreements.

A portion of that money goes to the First Nations Fund, in the neighbourhood of \$17 million. I am working here a bit from memory but between 17 and \$18 million goes to the First Nations Fund — now the First Nations Trust pursuant to the renegotiation of the gaming agreement. And then most of the rest of the money, as I recall, goes directly to the four community development corporations. If you may recall, there are four — one is in the North Battleford area, the Gold Eagle community development corporation; one in the Prince Albert area, Northern Lights Community Development Corporation; the Painted Hand Community Development Corporation in the Yorkton area; and the fourth one is the Bear Claw Community Development Corporation in the Kenosee-Carlyle area — contiguous to the location where the four First Nations casinos are.

And I think as the material identifies, \$2 million goes to the Métis Development Fund, which is an economic development fund under the auspices of the Métis Nation of Saskatchewan.

Mr. Hart: — So then, in total for 2003 or for this period that the report covers, there was \$30.5 million of gaming revenue went to both First Nations and Métis people. And I believe last time you, last meeting you gave an estimate of about 90,000 people in the First Nations community.

And how many people approximately would there be . . . would this Métis fund cover? How many Métis people would there be? And is that Métis fund, is the money allocated on a per capita basis from the Métis fund?

Mr. Cotter: — With respect to the Métis Development Fund, it is an economic development pool of money overseen by a board of directors, and it supports economic development opportunities through applications that are brought to it by people who see an opportunity for economic development successes. It might be . . . And they tend to be small projects, but it might be in relation to the forestry industry, for example — maybe a business in support of what's happening around a saw mill or the like.

I don't have the exact parameters of the board of directors' guidance there, but I think their investments are, in most cases, limited to \$50,000 per project. But these are not . . . None of this money is the subject of per capita distribution. It is all handled through decisions by the board of directors to fund a particular business application to the fund.

And it's been a disciplined fund that has looked to see modest returns on the investments that they make, so that the fund itself is not dissipated. And while, as I said, I don't have the information with me at hand, my understanding is that that fund has been modestly growing over the last number of years pursuant to reasonably wise investments by the board.

With respect to the other 28.5 million, the 17-or-so million that goes to the First Nations Trust, a large portion of that is then distributed to the 70-plus bands on a per capita basis to the band — not to First Nations people individually, but to the band — to support services on the reserves as within the parameters of the agreement.

The money that goes to the community development corporations goes to serving projects in those communities, in those kind of geographic communities, by and large. That may be work and activities on First Nations economic initiatives and the like. It's not distributed on a per capita basis. That money comes exclusively from a portion of the Indian casino profits, and that money goes to support First Nations and non-First Nations initiatives in those communities.

So for example in North Battleford, initiatives within the city that may be far from First Nations specific are supported by the fund. Most recently, for example, that community development corporation made an investment in some health equipment, as I understand it, for the hospital — those kinds of activities.

So that part of the fund is more generic in its distribution. I

understand you were looking to do a bit of a mathematical calculation and I respect that fully, but because each of those community development corporations is authorized to make investments in non-First Nations and First Nations initiatives, or things that might support both, out of First Nations gaming profits, it's a little more complicated part of the equation. Thanks.

Mr. Hart: — Thank you for that.

Mr. Cotter: — My apologies. But when we were here before I was requested to provide a bit more information to the committee and I have that with me, and I thought . . . and it was related to the Aboriginal Affairs side of the department, and I thought with the Chair's permission I might share that with you now. I have copies for each of the members.

The list of the partners with respect to the Aboriginal employment development agreements, information regarding purposes for which the money can be spent under the First Nations Trust as set out in the agreement, and information regarding the First Nations Veterans' Association information, we have on their business plan drawn from the FNF (First Nations Fund) 2002-2003 annual report.

Since we were fortunate enough — I think that's the right phrase, Mr. Chair — since we were fortunate enough to be able to come back in a timely way, I thought this was an occasion to share that with you.

Mr. Hart: — Thank you, Mr. Cotter. That certainly has clarified how these funds work and how all the pieces fit together, and I appreciate that information. I guess perhaps I should ask my next question to the auditor. In the report on page 189, you indicate that for the First Nations Fund, the trustees of the fund have denied us access to the fund. And you're unable to audit, I guess, that fund, basically is what you're saying. Has that situation changed? And what are the issues, what reasons were you given for denial of access to the information?

Mr. Wendel: — Yes, the issue hasn't changed. We still don't have access to the First Nations Fund. As to the reasons, possibly the department could provide more information on that.

Mr. Cotter: — I'm sorry, I didn't hear the end of Mr. Wendel's . . .

Mr. Hart: — It has to do with denying the auditor access to the First Nations Fund and what are the reasons that the auditor is denied access to that to audit that fund.

Mr. Cotter: — I think that, as Mr. Wendel would confirm, the kinds of information that he is seeking are not being provided by the fund trustees — not by the department; the impediment is the fund trustees.

Their position in part, and this is publicly known, is that they are . . . they're less inclined to regard this money as public money, and that some aspects of what is available to the First Nations Fund trustees relates to business on-reserve, and that it is not the business of the auditor to be auditing on-reserve.

On this topic, we support the view of the auditor that he should have access to this information and he should . . . and it should be regarded as public money. And accordingly we have been pressing the First Nations Fund trustees, including writing to them as recently . . . I wrote to them as recently as May of this year to urge them to be forthcoming. In particular I think the issue relates to reporting back . . . the information that is reported back to fund trustees from First Nations regarding the use of the money, to which they have put the money on-reserve.

We have, as I think I mentioned last time, the ability to use a large sledgehammer and cut off transfers to the First Nations Fund if we think that there is non-compliance. That tool is not available to us with respect to the fund trustees any more, because as you will recall, the fund is being wound up. And we now have a new relationship with a First Nations Trust with a significantly enriched accountability discipline, a part of it guided by I think the experience of the auditor and his counsel with respect to how to tighten up the accountability regime into the future.

Mr. Hart: — So basically what you're saying, Mr. Cotter, is that this is an issue that probably won't get resolved because of the way things have changed. And the department is basically moving on, and with the new arrangement there is much more stringent requirements for providing audit information and that sort of thing. Would that fairly summarize the department's position on this issue?

Mr. Cotter: — We have not . . . I wouldn't use the phrase that we have given up in terms of getting the auditor the access he's looking for. I have written again. The First Nations Fund trustees, I am advised, imposed a discipline on some First Nations in terms of cutting off transfers of funds to them until they were adequately . . . previously expended funds were adequately accounted for — which was, for me at least, a sign of the improved quality of discipline that the fund trustees were administering in relation to recipients, to the beneficiaries.

There has also been in the past six months or so a change in the leadership of the Federation of Saskatchewan Indian Nations, which do not control the fund but have a, you know, a kind of parenting relation to it so to speak, and are the negotiating entity with respect to which the Government of Saskatchewan deals in the establishment of these regimes. And we are hopeful that greater and more positive guidance might be provided by the FSIN (Federation of Saskatchewan Indian Nations) leadership in order to make the kind of information available to the auditor that he's seeking.

What I think I am saying is that the use of the more kind of nuclear bomb approach — which is no more funding to any entities until the auditor is satisfied — is an approach that's not available to us. So we are not able to kind of declare, you will not get any more money to the fund; because we've already made that decision that no more money will go to the fund because of the new regime.

Mr. Hart: — Under the new regime there is a board of trustees in place to govern the operation of the trust fund now that's set up. Could you briefly explain the process as to how these trustees are put in place? Who puts the names forward? What type of term? You know, what areas of the province, like is it

representation, is it pretty broad-based across the province? If you could briefly explain that whole process of trustee appointment, it would be helpful.

Mr. Cotter: — I could provide you a little bit more information, including the names of the trustees if you want. I just don't have them with me today. But I'll describe to you the clause, maybe even read the clause in the agreement that speaks to the trustees. It goes as follows:

The Federation of Saskatchewan Indian Nations Legislative Assembly (this is clause 6.03 of the recently negotiated gaming agreement) shall appoint the Trustees in accordance with the following procedure:

One of the committees, and I don't know which committee, but a committee of the FSIN shall . . . I think it's the Economic Development Commission of the FSIN, shall:

. . . solicit applications from individuals who want to be considered for the position of Trustee;

Potential candidates shall provide the following information . . .

- (i) a statement of his or her qualifications;
- (ii) a statement that he or she would be eligible for bonding;
- (iii) if the potential candidate holds elected Indian . . . office, a written statement that, if selected as Trustee, he or she will resign his or her elected position; and
- (iv) any other information requested by the FSIN's Economic Development Commission.

You can see within the model a desire to depoliticize the role of the trustees. I can't tell you in detail the kinds of factors that go into the FSIN's decision making. But based on my observation of the choice of the trustees, I think geographic consideration's . . . a reasonable degree of representation from northern and southern parts of the province is sought by the decision at the FSIN legislative assembly. And my understanding is that this commission recommends, I would call it, a slate of trustees for approval by the assembly from time to time.

There is I expect . . . And there's an arrangement here in terms of the length of the term that is essentially three to four years. Certain trustees will have three-year terms, and some will have four-year terms so that there is a kind of turnover as well and a turnover that is not everybody leaves at once, so the rotational kinds of things that I think modern oversight now adopts in the variety of organizations.

Mr. Hart: — For the board of trustees to be put in place, does the minister have to approve this board that's put forward by the FSIN, or is the FSIN the final authority on the selection of the board members?

Mr. Cotter: — The FSIN is the final authority, and the government does not approve or bless or appoint the members of the trust.

Mr. Hart: — Thank you for that clarification. Mr. Chair, I have no further questions.

The Chair: — Mr. Cotter, just one question on page 188, which is the overall department spending, estimates and actual expenditure. I'm just curious why the Provincial Secretary estimates were at 1.3 million but actually spent 1.8. It's not a large amount of money, but it's quite a variance, and I wondered if you could account for that.

Mr. Cotter: — As you will recall, one part of the project of the Provincial Secretary division includes the revitalization of Government House which is essentially a significant addition being built on Government House. And I think many of the members will have been there recently and seen the work that is going on just to the east of the ballroom part of the existing Government House.

That project is being funded in part by the provincial government — significant part by the provincial government through the Centenary Capital Fund — in part by the federal government making a contribution, and in part by a Government House foundation raising funds. The project itself is adequately funded from those three sources.

The expenditures in relation to the project though don't always correspond with the money that has become available to us. So we actually had less money available to us for the expenditures for the budget year than was needed. We will actually make that up because of the ability to see more money come to us from the federal government as the project proceeds. So a significant part of the challenge there has been to manage the kind of . . . the flow of money over multiple budget years for doing that construction.

The second element that was of significance with respect to the increase was in the neighbourhood of I think \$100,000 of an unbudgeted expenditure for the visit of Prince Edward in the '02-03 year.

The Chair: — All right. Moving on to the Northern Revenue Sharing Trust Account. There are quite a few recommendations by the Provincial Auditor with concern about not proper processes in place, not proper reporting and accounting in place, that the financial statements may not be accurate, that proper approval is not always garnered for expenditures that are undertaken. Could you briefly tell this committee what your department has done to correct these shortfalls.

Mr. Cotter: — Sure. It might be helpful to committee members to just describe a little bit about what the Northern Revenue Sharing Trust Account does. And then it'll give you a shape for the kind of work that has needed to be done and that the auditor has identified is required.

The fund is a trust account that receives money from three or four different sources for the administration of municipal needs in northern Saskatchewan. It receives money from the consolidated revenue fund, from municipal taxes for properties in the North, for leases of Crown land in the North, for some Crown land sales in the North. Those two programs are usually programs that are under — the land part at least — under the direct control of the Department of the Environment which administers those kind of Crown lands directly, some money from mineral surface lease fees and permit fees in the northern Saskatchewan administration district. So it's an entity that

receives that money and then provides financial support for municipal services in the North.

In 1998, as a number of you will know, we established a management board, urged by northerners so that there would be a greater say by northern, in most cases, municipal leaders or administrators in terms of the wisest investment of those monies to support northern municipal needs.

With respect to the auditor's observations which are in the kind of the 90s, I think of the report, page 190 or 195. The auditor has identified a series of concerns beginning with . . . I'm going to page 195 of his report in which he recommends that there should be reports that . . . a better monitor than Northern Revenue Sharing Account, a trust accounts operations and processes to oversee those operations.

What we have done in that respect is to establish a regime regarding financial reporting on a quarterly basis to head office with the required detail and accuracy that I think the auditor would expect so that the head office of the department can provide a tighter oversight on the financial reporting side. The arrangement essentially is that the Northern Revenue Sharing Trust Account Board receives administrative support from the department in the construction of those financial reports. So our intention is to have more comprehensive reports produced quarterly and reviewed by head office to satisfy ourselves in more detail that the information coming to us is sufficiently detailed and accurate.

As well, as you may know, part of what is invested in in the North is water and sewer projects and northern capital grants. These tend to be on the basis of applications from municipalities to improve the water and sewer services in their communities or for capital projects in those communities.

That work is also overseen by the Trust Account Management Board, and they make recommendations on the kinds of projects that should be invested in in the North. We are putting in place a tighter and more regular review of those projects and approvals in relation to those. It will enable us to obtain the sufficient discipline regarding the investment of those monies into the capital and water and sewer projects in the North.

To assist us in getting the necessary discipline and information that would become available for senior management to review, as the auditor identifies, we've retained a chartered accountant as a consultant to assist us in making that material precise, and in relation to a couple of other of the auditor's recommendations, to assist us in the development of a set of policies and procedures for the accounting work in relation to the Northern Revenue Sharing Trust Account which we'll have in place before the end of the calendar year. That is one of the topics on which, I think, the auditor also speaks — the need for policies and procedures to be tighter — and we intend to do that with the assistance of the consultant who has been retained for us.

The auditor also identifies that the per diem payments to members of the board were not approved through the OC (order in council) process. We have addressed that in the latest order in council. In the past for . . . I am advised, for a number of years the remuneration to board members, which is in the

neighbourhood of I think \$155 per day, has not been part of orders in council in relation to their appointment. Our understanding had been that the financial administration manual of the government addressed the question of remuneration.

The auditor, I think, is of a different view, and we have made a change in order to include the remuneration in the orders in council and built that into the policies and procedures for the future. It doesn't mean that money went wanting or that people were inappropriately paid, but we had a different understanding of the authority that was required to put that payment in place.

I've mentioned the policies and procedures manual recommendation. And in more recent sets of recommendations that I think are not being reviewed today, the auditor has identified the need for a greater strategic direction to be developed in the North.

We are doing that work already. In fact beginning earlier this calendar year, we began to develop what I would call the pillars regarding and around a strategic plan that can then provide the basis for outcomes for the Northern Revenue Sharing Trust Account and measurable successes and an ability to report publicly on that and move toward including annual reports. We haven't shared that yet with . . . our work with the members of the management board of the Northern Revenue Sharing Trust Account, which is one of the things we intend to do and facilitate the development of such a strategic plan.

What that I think does for us in a logical way is gives us a strategic direction for the trust account. And it provides then a basis for the kind of measurable financial and other results we would look for from the trust account's investments and then a public reporting mechanism which the auditor also calls for.

So in part, what we've really done — and it's a little bit disrespectful to your committee, I guess, in this conversation — is to take the very most recent recommendations, and I'm encouraged to say that we've been working on some of them maybe in anticipation of what Mr. Wendel would recommend, and fuse them together with the recommendations that came in December 2003, particularly on the public reporting, a plan that will make the public reporting more sensible and more valuable.

Finally in the list of recommendations, which your committee is reviewing today, the auditor recommends the . . . or notes that payee lists were not appropriately reviewed and approved, and we have now got that in place. That was an oversight that the auditor identified, and we now have a regular process for the public provision of the payee lists that have been made out of the fund. It tends to be one of these lists of varieties of people, whether employees or contractors or the like, and the auditor was right in that, and an oversight that we have since corrected.

I think I could stop there and respond to your questions.

The Chair: — Thank you, Mr. Cotter. Does your department do internal audits of the northern revenue trust account . . . Revenue Sharing Trust Account, and do you do performance reporting for that account?

Mr. Cotter: — We review it regularly, but the auditor audits

the Northern Revenue Sharing Trust Account, as I understand it, annually. And we have a lot of confidence in the auditor.

The Chair: — So you don't do internal audits?

Mr. Cotter: — We do monthly reviews of the work. And he's reminded us we need to do that with a greater discipline and rigour, but we don't do internal audits.

The Chair: — So you do internal reporting though, internal evaluation? You do that on a monthly basis?

Mr. Cotter: — What we do is we prepare the financial, you know, we do the financial statement work month by month. And what we are trying to do now is to establish a greater rigour around the doing of that and its review by head office.

This work is actually . . . just to put it in the context of another form of accountability, the Northern Revenue Sharing Trust Account Management Board is this group of northern municipal political leaders or administrators. They have a modest bit of support that they contract for. But the department itself is the entity that constructs the financial statements and reports pursuant to their work that then gets provided back to us, so that it is actually employees of the department who are responsible for the preparation of the financial information.

And in that sense, what we are then doing with the material coming to head office is reviewing the quality of the work that is being done on the accounting and accountability side of the equation by our own staff in supporting the board.

So in terms of an ability to have a discipline around a particular agency or entity, we have all of that ability because it is our own staff doing the work.

The Chair: — How often would you do a performance evaluation and put that into a report for this trust account?

Mr. Cotter: — With respect to the performance of the trust account and the staff overseeing it, quite frankly, this has been an ongoing exercise. One of the things that we did in the last year or 18 months, recognizing we needed more staff in the La Ronge office where this work is done, was to transfer positions to La Ronge to kind of strengthen the team; to enable them to fill in gaps that we had with respect to what followed a change in management and the retirement of one of our senior staff there.

So the performance evaluation is both an evaluation of the work in support of the Northern Revenue Sharing Trust Account and the work that's done almost as though it is a municipal office in relation to a series of northern municipal governments. So it's a performance of our own staff in fulfilling a collection of functions, including the financial support to the management board of the Northern Revenue Sharing Trust Account.

The Chair: — I'm wondering if, just to help myself as Chair and members of my committee to fully understand this account better and save a lot of time, would it be possible for you to make a copy available of the last performance report to the members of the committee?

Mr. Cotter: — I think so, although what you may end up getting is evaluations of different components of the work that's done; for example, in relation to oversight of the water and sewer program. We have not . . . and we have tended to sort of review the work that's being done in our northern offices on a kind of project-by-project basis. But I think we could make that available.

The Chair: — We are fairly familiar with what happens, you know, at the municipal level south of that line. I think it would be helpful for myself and for my colleagues to see one of those performance reports, so we'd understand what happens north of the line better.

Are there any other questions in regard to chapter 7? Okay. There are a number of recommendations, starting on page 191, recommendation no. 1:

We recommend the Department ensure that it receives sufficient and timely information from each community development corporation to determine if each corporation properly managed public money and spent it only as permitted by law.

Mr. Yates.

Mr. Yates: — I move concurrence and note progress.

The Chair: — A motion to concur and note progress. Any discussion on the motion? Ready for the question?

Some Hon. Members: — Question.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — Agreed. That's carried.

Recommendation no. 2 is on page 192. It states:

We recommend the Department provide our Office with the necessary access to the accounts of the First Nations Fund.

Mr. Yates.

Mr. Yates: — I'd move concurrence and note progress.

The Chair: — Again a motion to concur and note progress. Is there any discussion on this motion? Mr. Krawetz.

Mr. Krawetz: — I understand that the office has not been able to receive any access to the accounts. Is that true? So how can we note progress?

Mr. Yates: — Progress then would be in the sense that there have been letters written and greater accountability of those funds and the fact that the change in structure gives greater accountability into the future. So dealing with the issue as . . . from the point it was identified, back perhaps not, but because of the new structure, moving forward there is significant process and increased accountability. That's how we'd note

progress.

A Member: — It's not compliance.

Mr. Yates: — It's not compliance, but it's progress in increasing accountability.

Mr. Krawetz: — Mr. Chair, would Mr. Cotter agree with that that there has been some progress in access to the First Nations Fund?

Mr. Cotter: — With respect to the question of access to the First Nations Fund, we have made significant efforts to facilitate that. We are not seeing the kind of documentation the auditor's looking for. We have put in place a dramatically improved accountability regime, forward going.

The Chair: — Mr. Hart.

Mr. Hart: — Mr. Chair, the recommendation says that the department provide our office with the necessary access to the accounts. I don't see any progress with respect to that recommendation, and I think perhaps a more appropriate position on this recommendation is that we would concur with the recommendations. I don't see any progress on this particular issue.

The Chair: — Mr. Yates.

Mr. Yates: — Once again, Mr. Chair, I'd just like to note that the progress is in the new agreement, and then moving forward there's much greater accountability, a different structure than was in place previously, increasing accountability considerably on the funds as transferred. And that's what our goal is, is to increase the accountability, and there has been in the negotiations of the new agreement increased accountability.

And so we're not dealing with it from a specific point of view, point of time, going backwards. We're dealing with the whole issue of accountability on these funds.

The Chair: — Mr. Krawetz.

Mr. Krawetz: — Thank you, Mr. Chair. While I understand that the regime that has been put in place for the future may improve it, it's my understanding that the First Nations Fund is being replaced by the First Nations Trust Fund. And as a result, I think, Mr. Cotter, you used the words that we're not giving up on it, but the access for the auditor to the accounts of the First Nations Fund is going to come to an end.

And I mean, I'm not disagreeing with you that there are better systems in place for the future. I agree with that. But I think wording the motion in such a way, someone who reads this motion two years from now is going to believe that the auditor may have had, there may have been an improvement in the auditor's request to actually access the accounts.

And while I don't disagree with your motion, Mr. Yates, in the respect that we concur with the auditor's recommendation, number one, and that there has been progress in other areas, there has been no progress in access to the accounts. And if you look at just a rewording of that, I'd be willing to support that

rather than saying that there has been compliance.

The Chair: — Mr. Hagel.

Mr. Hagel: — Mr. Chair, could we just have a very short recess.

The Chair: — Very short? Sure.

The committee recessed for a period of time.

The Chair: — I call the meeting back to order.

Mr. Yates: — We could just simply amend it and note progress towards future accountability. Would that be acceptable? Right, we want to talk about concurrence and future accountability.

Mr. Hagel: — That's the intent.

Mr. Yates: — That's the intent.

The Chair: — All right, Mr. Yates, do you want to rephrase your motion?

Mr. Yates: — Sure. I'd move concurrence and note progress towards future accountability.

The Chair: — All right. Is there any discussion on the new motion? I understand you've then withdrawn the first motion. Is that correct?

Mr. Krawetz: — Could I clarify with Mr. Cotter.

The Chair: — Mr. Krawetz.

Mr. Krawetz: — Sorry, Mr. Chair, could I clarify the First Nations Fund versus the First Nations Trust Fund? Obviously the trust fund has been in operation since July 2003. When will the fund transfer all of its assets to the trust fund and no longer exist?

Mr. Cotter: — We'll get a report on the basis of the end of the fiscal year. I think by some date in late July is the deadline for the annual report for the fund. The fund won't so much have a series of assets to transfer because the pattern has been that the fund has received money on an annual basis and disbursed it to these various projects and to the First Nations for the purposes set out in the legislation.

So the fund will be wound down essentially to nothing — should have been already — and we are now waiting for the annual report that will confirm that. There will not actually . . . it's unlikely that there will be a pool of assets in a fund that will be transferred to some other entity.

The fund received a quarterly payment at the end of June 2003 because it was the only entity existing and the trust itself had not been established. So it is in relation to that quarterly payment of probably in the neighbourhood of \$4 million or so for the purposes of the funds, kind of expenditures and projects. And once that quarterly payment has been disposed of, the fund would essentially cease to exist.

The trust then began in July, received its first quarterly payment at the end of September 2003, and received essentially three of the four quarterly payments we make. And it becomes the ongoing entity. So the fund is winding itself down to nothing, and what we anticipate — although, you know, the reports will show us — is that the total of the money that the fund received, it dispensed during the '03-04 fiscal year.

Mr. Krawetz: — And, Mr. Chair, my final question: since the auditor has not had access to those accounts of the First Nations Fund: is there an accounting firm that the First Nations are using to ensure that for reporting to individual First Nations people that the accounting has taken place and that there is an accounting report that individual members of First Nations can actually see?

Mr. Cotter: — In relation to the trust or in relation . . .

Mr. Krawetz: — In relation to the First Nations Fund.

Mr. Cotter: — The First Nations Fund is audited by the Provincial Auditor, and that's, I think, the issue we've been discussing. Individual bands have auditors, and that work is done in relation to funds that are available to First Nations to expend, and this is one of the amounts of money that those First Nations have available to spend within the set of legislative objects set out in the provincial legislation.

Mr. Krawetz: — Does the fund then receive . . . Let's deal with the amount of money that you'd indicated was transferred at the end of June 2003, which was a quarterly amount of some \$4 million; that was transferred to the First Nations Fund. Does the fund then transfer to each of the bands involved?

Mr. Cotter: — Yes, it does. What it does is it has a series of what I would call global initiatives like the addiction research foundation and some other expenditures that the fund itself makes, for example an administration fee that it pays to the Federation of Saskatchewan Indian Nations. And it distributes the balance — virtually the balance of its money — to each First Nation of 70-plus or so, on the basis of the size of those First Nations per capita.

So the amount of money that would go to the Piapot First Nation would be based on the number of First Nations people in the Piapot First Nation compared to all the First Nations in the global world for Saskatchewan. And that money goes to the band to use for a set of purposes, not per-person payouts, but for a set of purposes set out in the legislation.

The individual First Nations are expected to report back to the First Nations Fund with respect to the uses of that money to satisfy the fund trustees that the money was expended for the purposes it was intended. For those purposes, the First Nations Fund has its own auditor, KPMG, and Mr. Wendel and his office are entitled to review the information that is available to the First Nations Fund, some of which has not been provided to him.

I don't know whether I've answered your question. The money goes out in that way to 70 or so bands for the set of purposes. They expend that money. They're expected to report back to the fund trustees. That gets looked at by their auditor, KPMG, and

then the auditor, if he can get access to it.

Mr. Krawetz: — Great. On an annual basis do you have any idea what percentage of the monies that the fund received were actually not paid out to the 70-some bands but would have been an expenditure of the First Nations Fund? I believe you referred to administrative costs and other things that are on a global basis. Do you have any records that would indicate over the last number of years what percentage of money remains at the fund's discretion, the trustees operating the fund, at their discretion to spend?

Mr. Cotter: — The amount of money that is being expended is roughly 17 million a year, if you think of all four quarterly payments. I don't have the specific amounts for each of those kinds of projects, and I don't immediately recall what goes to FNARF (First Nation Addiction Rehabilitation Foundation), the addiction research work that gets done in a kind of province-wide basis by First Nations.

Here's a list Wanda has shared with me from the annual report. The total distributed in, this is '02-03, was just over \$19 million. Budgeted, I think, was probably a little bit less. But as you may recall, the amount that becomes available depends on the profitability of the casinos across the province.

So the total amount was 19.7 million of which about seventeen and a half million went to First Nations on that per capita distribution basis. 1.5 million went to the First Nations Addiction and Rehabilitation Foundation; \$250,000 went to the FSIN on a project related to jurisdictional negotiations regarding gaming. This is part of the gaming agreement negotiations, and the amount is fixed in the agreement.

\$100,000, I think also fixed in the agreement, goes to the FSIN to manage the fund, provide the administration support and housing for the First Nations Fund offices. \$150,000 went to the Saskatchewan First Nations Veteran's Association; \$100,000 went to the White Bear First Nation for predevelopment costs, and 224,000 went to the Bear Claw Community Development Corporation. This was money set aside for the community development corporation, at least held in the context that it hadn't been set up at this point in time, as I recall.

So the total amount of money, community development corporation money is a little bit . . . it's a bit of a qualification, I think, in terms of the expenditures here. But that would mean seventeen and a half million to First Nations and roughly 2 million to other entities more globally, of which 1.5 million was addiction research and rehabilitation.

Mr. Krawetz: — Thank you very much for that response.

The Chair: — Mr. Hart, did you have a question pertaining to the motion on the floor?

Mr. Hart: — Yes. I think it does. I was looking at page 193 of the auditor's report, and the auditor indicates that the new First Nations Trust is not a Crown agency and therefore not accountable to the Assembly, which I think goes to the heart of the motion before the floor.

So what I'm assuming is that the First Nations Fund was a

Crown agency and certainly accountable to the Assembly, and that's why the auditor is anxious to do the audit so that his office can account to the Assembly. So I'm interpreting this as the Act on August 2003. Basically what we've done is we've taken a fund that was accountable to the Assembly and replaced it with something that isn't accountable to the Assembly. Am I reading this right?

Mr. Cotter: — I wouldn't describe it in that way. I would describe it in the following way. The expenditures in relation to the fund are still subject to satisfying the accountability expectations of the Assembly on the basis of the supervision of the Department of Government Relations and Aboriginal Affairs. And the auditor will continue to supervise and audit the work of the department.

The arrangement that has been put in place with respect to the First Nations Trust is to put it on the same basis as funds that are transferred to other similar entities — municipalities, health districts, and the like. The Provincial Auditor, unless his practice has changed, does not audit the city of Moose Jaw. They have their own auditors. And that's the arrangement that's now in place, that is, that this fund will be audited by independent, professional auditors.

We will have access to that information. And if the trustees are not doing their job adequately, we will be able to call them to account with significantly increased access to the information. And if we not do that supervision adequately, on your behalf, the auditor will let you know that we're not doing our job well enough.

Mr. Hart: — Can we just clarify again, the monies that are put into this trust account, some of the money is profits from SIGA (Saskatchewan Indian Gaming Authority) casinos. And some of it is money that comes from the Regina and Moose Jaw casinos. Is that correct? It's not all just the casinos operated by SIGA.

Mr. Cotter: — That's correct.

Mr. Hart: — So basically then what we have is we have a fund that was . . . Previously the First Nations Fund was a fund that the auditor had full authority to audit. Correct? And now we have a fund that is a third party trust account, basically. Is that fair? Would that be a fair description of where we've gone to?

Mr. Cotter: — Where we've gone is from a fund that, by virtue of it being public money and money that has been transferred to a Crown agency, provided a direct auditing authority for the Provincial Auditor. We have gone to an arrangement where an entity receives transfers from the Government of Saskatchewan and has the ability and the responsibility to retain professional auditors to audit its work to satisfy the department that that auditing work and the operation of the trust is appropriate, and for the auditor to supervise us in ensuring that we do that work.

So I don't disagree with the way in which you have described it. But I think you leave the impression that we are moving away from adequate professional auditing of this pool of money, and I would disagree with that. In fact I think we are in better shape with respect to the auditing and accountability regime today than we were a year ago.

Mr. Hart: — I would have to question your choice of words I suppose where you said we're moving to a system where we have professional auditors. So I would hope you're not implying that our Provincial Auditor is not professional.

And it seems to me that in the past if we look around with what's happened in the business world, we've had so-called professional auditors auditing Nortel and auditing Enron and all those sorts of things. And I think I would have to say that my feeling of confidence I would place it with the Provincial Auditor more so than with the private auditing firms.

You know, and I guess I'm just wondering why, you know, what the rationale for the change was as far as the access of the Provincial Auditor to, you know, the new trust account. Perhaps you could explain that.

Mr. Cotter: — Sure. I don't actually want to associate myself with your earlier observations though. I'm not naive about the state of affairs out in the larger world, but I don't want to suggest by any means that the auditing industry in Saskatchewan is in any way other than of high integrity and quality.

The arrangement that was put in place was done along the following lines to put the First Nations Trust on the same basis as very many other entities that receive funds from the provincial government and, as part of that exercise, to obtain a greater discipline around the quality by which the trust's accountability will be maintained and in this case, compared to the fund, enhanced.

I think perhaps you asked me about the makeup of the trust trustees, and you could see for example a discipline to try to get it away from the political arena and more into more of a professional set of trustees. As one modest example, the most significant example is the entitlement to have direct access to the reports that come back to the trustees.

So what we were able to do was to work out an arrangement that was negotiated in the gaming agreement that put this entity on the same footing as very many other entities in the province that receive funding of significant nature from the provincial government and to negotiate a significantly tighter discipline.

So it's not because there will now be better auditors than Mr. Wendel, but that there will be good auditors of integrity, and our entry point into the information the trust has is significantly increased. We have explicit agreements now to get at that information if we have reservations, and it will help us to overcome the problem we've had in the last year or two that Mr. Wendel has rightly identified.

Mr. Hart: — I guess I'm just concerned a bit about future accountability in that you make the comparison that, you know, money is transferred to third parties like the city of Moose Jaw and so on. And that's true. I mean it goes directly to the city councils and RM (rural municipality) councils, school boards, and that sort of thing.

But it doesn't go to their umbrella organizations. Funds aren't transferred to SARM (Saskatchewan Association of Rural Municipalities) or SUMA (Saskatchewan Urban Municipalities)

Association) or to the school board association, where in this case it seems like the funds are being transferred to the umbrella organization, the FSIN.

And where my concern is, will we find that accountability and legality, because it's not going to the governing body on the First Nations, the chief in council, which is the band . . . You know, I mean and I realize there's certainly distinctions and all that sort of thing. And that's where my question is coming from. Could that lead us to some future problems, some problems in the future that we perhaps haven't foreseen and haven't taken into account because of the difference between funding to a city council or RM council and funding to an umbrella organization rather than funding directly to a chief in council which would be the governing body in their community?

Is there any problems? Do you foresee any future problems with that type of an arrangement?

Mr. Cotter: — It's true that the funding that ends up going to First Nations goes through the conduit of the trust. You're right about that description. And we had, you know, lawyers and accountants working for a long time in the negotiation of this agreement. We think that we have a fully disciplined arrangement with respect to the trust and the trustees.

We do have a series of arrangements such as you described. In my own department, in Aboriginal Affairs, pools of money are transferred to SUMA and SARM for distribution to individual cities and towns for certain purposes related to, for example, to make up for the loss of the tax base when entitlement bands buy land. And it becomes reserves. A pool of money was transferred for those purposes to SARM or SUMA to administer and then distributed to individual towns and cities.

We have never thought of ourselves as having inadequate accountability regimes when we transferred to the umbrella organization, and I think the same thing exists here. What will help us a lot is an ability to aggressively obtain the kind of information the auditor was looking for. And he keeps in close contact with the department to ensure that we ask the right questions and get the information, and I expect that he will share with you how well we succeed in doing that. And I think he will share with you if we're not doing as well as he expects.

But we now can insist as a term of the overall gaming agreement that this information is available to us on demand, and I think we will . . . I'm still hopeful that we will get it in relation to the fund, but I'm very much more confident that the new regime . . . and I think it's the reason why Mr. Yates's motion wanted to contain sort of the future progress point, that that arrangement is better.

In fact I would . . . I don't want to put words in Mr. Wendel's mouth, but in terms of what kind of improved accountability we should expect, well I think it's fair to say Mr. Wendel would prefer to have a more direct role in relation to the trust. His office was helpful in advising us and the government overall about, you know, what the hell we should be looking for so that we can be satisfied, and so he can be satisfied.

So we might have had a disagreement around the design

between the government and the auditor, but neither of us was in the least reluctant to have a dialogue to ensure that however that audit function was being delivered, the right kind of information was made available, would be made available, could be made available, so that ultimately you would be satisfied.

Now the proof will be in the pudding, and you may be chatting with somebody in this chair a year from now who . . . where you'll say the pudding didn't turn out as good as Mr. Cotter said it would, but I think we're in a significantly better position. And I think the FSIN, who are the . . . who created the entity through which this money will be distributed, and many First Nations people are supportive of this. It's largely I think a jurisdictional debate that's existed right now. Well we've managed to finesse that completely in a way that I think will meet your expectations in the future.

Mr. Hart: — Well thank you, Mr. Cotter. I certainly, you know, appreciate your explanation in clarifying just how this whole structure will work and those sorts of things. So, Mr. Chair, I would have no more questions.

The Chair: — All right. There is a motion on the floor. Are we ready for the question?

Some Hon. Members: — Question.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — Any opposed? It's carried.

We will move to recommendation no. 3 on page 195. Yes, Mr. Yates?

Mr. Yates: — I entertain that recommendation. Seeing that the hour that we've reached, and we've about 20 minutes left, I don't see much sense in entering into a new topic today. Perhaps we could release the officials to . . .

The Chair: — Yes, it's a good observation. This has taken quite some time. I apologize to the folks from the Information Technology Office that we had not anticipated that this debate would . . . this discussion on Government Relations and Aboriginal Affairs would take as long as it has. I apologize for that. We sometimes can't calculate or prognosticate what would occur. So, Mr. Krawetz.

Mr. Krawetz: — Mr. Chair, before we do that, I would ask the committee to think of one other option. I noticed that in our chapter that we're dealing with today, which is chapter 7 of the 2003 Report, we have five recommendations on the Northern Revenue Sharing Trust Account. And in the '04 report that just has been released by the auditor's office, in chapter no. 11, I believe we have seven recommendations that are going to deal with the Northern Revenue Sharing Trust Account.

My suggestion would be, is that we do not deal with the five recommendations that we have before us in chapter no. 7 today — that we bring the seven recommendations from the new chapter 11 and put the five together so that we have 12

recommendations before us so we know exactly what each recommendation is saying, since they're all talking about the Northern Revenue Sharing Account and how the improvements . . . And I think Mr. Cotter has cited some changes that were made to deal with the first five, and maybe now the auditor has recognized that some of those things have not been complete. I'd like to see a whole picture.

And you know, I mean, I'm not going to stick my heels down here. But it just seems that we've got five recommendations that deal with the very same thing in the '03, and now we're going to get seven more recommendations in the '04 report that deal with the same chapter. And I think, you know, if we deal with it six months from now we're sort of going to forget what we dealt with in these first five. And I'd like to put them all together if that's possible.

The Chair: — Mr. Yates.

Mr. Yates: — I don't disagree with that, but it has nothing to do with the ITO (Information Technology Office) office then.

Mr. Krawetz: — No, and I would suggest that we move right to the IT Office right now.

Mr. Yates: — Why not do all these recommendations together today?

Mr. Krawetz: — Because we don't have chapter 11 information on the '04 report — unless we can do that. And I guess I stand . . .

The Chair: — I think . . .

Mr. Krawetz: — To deal with 12 recommendations from the two . . . on the same topic, I think, is going to take us a little longer. I mean, you can see what happened this morning on just dealing with the First Nations Fund and two recommendations. Now we have five for the Government Relations and another seven whenever we deal with them. And, I mean, I would concur if you want to, to deal with the first five today and then deal with the next seven on another day sometimes. But I just thought it would be wiser to tie them all together.

The Chair: — Mr. Krawetz, if the Chair can intervene, while I think your suggestion has a lot of merit, I believe that the auditor is not prepared to put forward his summary of what was in there. I just don't feel we'd have enough time to adequately deal with that as well. We'll jam ourselves up on that regard, and we'll have a lot of outstanding recommendations that we have totally forgotten. We'll have more than just these five; we'll have some more that we've forgotten about. If I might suggest, and I will accept the will of the committee, but I would suggest that we continue with these recommendations. We're going to have to cut it off somewhere at sometime. We could make this argument for a lot of the chapters that we're going to have to deal with.

With the permission of the committee, I would excuse the officials from the Information Technology Office and suggest that they enjoy an extended lunch. Is that all right with my committee members?

Some Hon. Members: — Agreed.

Mr. Hagel: — If we don't hurry up and excuse then we'll be running out of time and . . . (inaudible) . . . anyhow.

The Chair: — Thank you very much. We will then move to recommendation no. 3, which is on page 195, which states:

We recommend that the Department:

set out the reports it needs to monitor Northern Revenue Sharing Trust Account's operations; and

set up a process to oversee Northern Revenue Sharing Trust Account's operations.

Mr. Yates.

Mr. Yates: — I move we concur and note progress.

The Chair: — There is a motion to concur and note progress. Is there any discussion on the motion? Mr. Krawetz.

Mr. Krawetz: — To the auditor: is this recommendation the exact same recommendation that you put forward in the '04 report?

Mr. Wendel: — Mr. Chair, yes, on page 158 of the '04 report, recommendation no. 1.

The Chair: — I see Mr. Krawetz has been very successful. I'm quite impressed.

Mr. Krawetz: — I think there's a few that are different.

The Chair: — Yes, that's a good observation Mr. Krawetz.

Mr. Hagel: — Although again there is a difference between progress and compliance, and just because you get the same recommendation, it doesn't mean there hasn't been progress. It means that there hasn't been compliance. I think the motion is to note progress specifically.

The Chair: — Mr. Krawetz.

Mr. Krawetz: — No question, we're dealing with the motion that has been put forward on the same recommendation. But what I'm looking at is a report that has come out one year later. And if this report has indicated that there was progress, I guess the question when we deal with the chapter 11, in a few months from now, will be what kind of progress has been made? Because this recommendation is being put forward by the auditor's office in the exact same words. It would suggest that there was still something missing.

Mr. Hagel: — Although I suspect he'll ask the question, we'll give the answer and we'll deal with it.

The Chair: — The motion is to concur and note progress. We'll have a call for the question. I was going to stir the pot up a bit more, but I'll refrain and call for the question. All in favour?

Some Hon. Members: — Agreed.

The Chair: — None opposed? It's carried.

We'll move to recommendation no. 4 which is on page 196 and reads:

We recommend that the Department set up processes to prepare accurate financial statements for the Northern Revenue Sharing Trust Account.

Mr. Yates: — I'll move we concur and note progress, Mr. Chair.

The Chair: — Mr. Yates has the usual motion to concur and note progress. Is there any discussion on the motion? Mr. Krawetz.

Mr. Krawetz: — A question to the auditor. I note this recommendation has been broadened for the '04 report to include something that says that established processes to record transactions in the accounting records. Why did this recommendation that you put forward in the '03 report, why didn't it contain that portion of a recommendation that you're putting forward this year? Was that something that happened since that study was done and now the subsequent study has revealed that you have a different problem?

Mr. Wendel: — Mr. Chair, I'm going to ask Mr. Ahmad to respond directly to that.

Mr. Ahmad: — Mr. Chair, thank you. Yes, that is true. We did find during 2003 audit that there were certain items which were not properly recorded, and there was not a proper process in place. So that's why we expanded that recommendation.

Mr. Krawetz: — To Mr. Cotter then, is there a . . . I mean, we're dealing with the recommendation we see before us, with the processes. Do the processes that you now indicated that have been put in place, do they accurately record the transaction in the records that we'll see, you know, further on, or is there still something that the department has to improve on?

Mr. Cotter: — I think I'd say yes to both parts. We have made improvements in terms of the more accurate financial statements, but we are in a larger way trying to improve the overall discipline of this. So I don't disagree with the observations of the auditor's office.

We think we've made progress in terms of the preparation of more accurate financial statements, but there's further work to be done. And we are intending to do that in response to the more recent recommendation of the auditor that we are sort of not discussing today.

Mr. Krawetz: — No further questions.

The Chair: — Are there any other questions regarding this motion?

I'll call for the question. All in favour?

Some Hon. Members: — Agreed.

The Chair: — Any opposed? It's carried.

Move to recommendation no. 5, also on page 196:

(The auditor recommends) . . . that the Department obtain approval for the pay of Board members of the Northern Revenue Sharing Trust Account Management Board.

Mr. Yates: — I move we concur, and do we do this now, Mr. Cotter?

A Member: — . . . it's been corrected.

Mr. Yates: — Note compliance.

The Chair: — Mr. Yates, you are moving concurrence and noting compliance. Are there any questions regarding the motion?

Some Hon. Members: — Question.

The Chair: — Question. All in favour? Any opposed? It's carried.

Move to recommendation no. 6, which is on page 197:

We recommend that the Department improve the information it provides to the Legislative Assembly on the operations of Northern Revenue Sharing Trust Account.

Mr. Yates: — I move we concur and note progress, Mr. Chair.

The Chair: — A motion by Mr. Yates to concur and note progress. Mr. Krawetz.

Mr. Krawetz: — I note that the recommendation no. 7 in the '04 report is going to say something just a little bit different. It says that the department report on the performance to the Legislative Assembly. And then this one said, that it improve the information it provides. Were you intending the same recommendation from '03 to '04? Or is that department report on the performance, is that a little different concept than what you were putting forward in this recommendation that we're dealing with today?

Mr. Ahmad: — Mr. Chair, yes, yes, we were trying to expand on the information that the department does provide. They do provide some information last year, but we think they have to go a bit further.

The Chair: — Mr. Wendel.

Mr. Wendel: — Just to clarify that a little more. I think if you look back to the recommendations in the 2004 Report where you are, one of the things we asked the department to do was to align their strategic plan with the operations of Northern Revenue Sharing Trust Account. And that would go to setting out the goals and objectives for the Northern Revenue Sharing Trust Account. And in that sense, recommendation no. 7 is broader because it's dealing with the overall performance, the operations as well as the financial part.

The Chair: — Mr. Cotter.

Mr. Cotter: — Can I just say that I think in a way the recommendation we're discussing and then the recommendation we are sort of not discussing are complementary in one respect, but I would go so far as to say that the '04 recommendation is significantly helpful in the sense of putting the information that you would like to get in the context of the performance of this particular entity. And we fully support that. We support the newer and I think I would call it richer language of the recommendation yet to be considered.

And that's part of what we are trying to do is to place the information that will come to the Legislative Assembly in the context of the strategic direction of the department, the strategic direction of the Northern Revenue Sharing Trust Account. We are on our way there, and I think consistent with what we have been trying to do as a department, tried to begin the strategic direction work even before the most recent recommendation of the auditor.

So I just wanted to say that in the language that Bashar has used and Mr. Wendel has described, we're fully supportive. We think we're making progress on the recommendation that is here, but we are interested in evolving it into a more modern kind of performance management, accountability, strategic direction for the fund.

The Chair: — Mr. Krawetz.

Mr. Krawetz: — Just a quick comment. And I agree with you, Mr. Cotter, because I think there'll be . . . The recommendation has improved because the recommendation we're dealing with today doesn't even mention the fact that it should be each year, whereas the other recommendation will state there better be a performance plan and it better be done each year. Whereas this recommendation says provide some things, some information, but it doesn't even say that you should be doing it on an annual basis which I, you know, I think it's an improvement and a recommendation for the future one that we'll deal with — even though we have no problem with the one that is before us today.

The Chair: — Thank you, Mr. Krawetz. We have a motion on the floor. Is there any other discussion? The call's for the question.

Some Hon. Members: — Question.

The Chair: — All in favour?

Some Hon. Members: — Agreed.

The Chair: — Any opposed? That's carried.

And our last recommendation is on page 198. Recommendation no. 7 states:

We recommend that the Department provide the Legislative Assembly with a list of persons who received money from Northern Revenue Sharing Trust Account in accordance with the standards established by The Standing Committee on Public Accounts.

Is there any discussion? Or is there a motion, first of all? Mr.

Hagel.

Mr. Hagel: — Well first can I put the question. Mr. Cotter, has this been done?

Mr. Cotter: — Yes, and we intend to comply with this on an ongoing basis as well. And going to do so.

Mr. Hagel: — Then, Mr. Chair, I'll move that we concur and note compliance.

The Chair: — There is a motion to concur and note compliance. Is there any discussion on the motion? Calls for the question. All in favour?

Some Hon. Members: — Agreed.

The Chair: — Any opposed? That's also carried and carried unanimously.

That concludes chapter 7 of the 2003 Report Volume 3. It's been an interesting session. I want to thank each one of you for your participation. I would just make one observation to the deputy minister and his department, as well as my colleagues sitting around the table, that if Mr. Krawetz still sits on this committee when this issue comes before us again, he will not forget what was in the 2003 Report in spite of the fact we may be on the 2004 Report.

Thank you all for your co-operation and your help.

One other just closing suggestion, the next meeting is at the call of the Chair. This is the final meeting which will occur while this legislative session is underway. I've had discussions with Mr. Borgerson and also with some of my own colleagues, and we've also had discussions with the relevant government officials. We believe that we can hold a two-day meeting, which would start later on June 29, and conclude mid-afternoon on June 30 to clean up some more of these older issues that are before us. It doesn't suit everyone 100 per cent, but we think that we can undertake to do that.

Therefore unless I hear some strong objections the next meeting . . . You'll be notified of the next meeting, but I would assume it will take place or begin . . . commence somewhere around noon on June 29. Mr. Borgerson.

Mr. Borgerson: — Oh, I think it behooves us as a committee to recognize that this is probably the last appearance of Mr. Cotter before this committee. And our hope that indeed this one was memorable if last week wasn't. So we wish you well in the future, Mr. Cotter.

Some Hon. Members: Hear, hear!

Mr. Cotter: — Thank you very much, and I appreciate the opportunity to appear. Your work is significant to the people of Saskatchewan, and I welcome genuinely the chance to be held accountable for my part of it. Thanks.

The Chair: — Thank you, Mr. Borgerson and thank you, Mr. Cotter. Mr. Cotter we wish you well in your new position as — what? — the Dean of Law at the University of Saskatchewan,

so our best wishes go with you.

Ladies and gentlemen, thank you for your time this morning. I declare this meeting adjourned.

The committee adjourned at 11:49.