

Chapter 5 Executive Council

1.0 MAIN POINTS

During 2018–19, the Office of the Executive Council had effective rules and procedures to safeguard public resources, and it complied with authorities governing its activities other than in the following area.

Executive Council continued to set remuneration rates inconsistent with the Board of Internal Economy directives. *The Legislative Assembly Act, 2007* gives the Board of Internal Economy clear authority to set remuneration rates of legislative secretaries through directives, and the Board has done so. Executive Council needs to work with the Board to remunerate legislative secretaries at rates consistent with the Board's approved rates. Not operating within laws and directives increases the risk of decreasing public confidence in government.

2.0 INTRODUCTION

2.1 Background

The Office of the Executive Council provides support to the Premier, Cabinet and Cabinet committees.¹ It also develops and advances the Government's plan for Saskatchewan, and manages the plan's implementation across government.

Its other functions include co-ordinating government business in the Legislative Assembly; maintaining all Cabinet documents, orders-in-council, and regulations on behalf of the Government of Saskatchewan; providing strategic direction in communications throughout government; administering policies on communications procurement, visual identity, and online development; and operating the Government's web, mobile, and social presence.²

2.2 Financial Overview

Executive Council spent about \$12.2 million in 2018–19. Details of its programs and services are available on its website.³ Spending details are available in *Public Accounts – Volume 2*.⁴ Executive Council does not prepare or table an annual report.

¹ *The Executive Government Administration Act* section 26 establishes the Office of the Executive Council.

² www.saskatchewan.ca/government/government-structure/ministries/executive-council-and-office-of-the-premier (5 September 2019).

³ *Ibid.*

⁴ www.publications.saskatchewan.ca/#/categories/2481 (12 September 2019).

**Figure 1—Financial Results for 2018–19 by Program**

	Estimates 2018–19	Actual 2018–19
	(in thousands)	
Central Management and Services	\$ 5,430	\$ 5,793
Premier's Office	479	507
Cabinet Planning	1,107	798
Cabinet Secretariat	451	459
Communications Office	1,319	1,076
House Business and Research	255	473
Members of the Executive Council	133	133
Intergovernmental Affairs	1,883	1,589
Francophone Affairs	690	673
Lieutenant Governor's Office	<u>707</u>	<u>710</u>
Total Expenses	\$ <u>12,454</u>	\$ <u>12,211</u>

Source: Saskatchewan Provincial Budget 18–19 Estimates (vote 10); Office of the Executive Council 2018–19 financial records.

3.0 ANNUAL AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2019, we found, in all material respects:

- **Executive Council had effective rules and procedures to safeguard public resources**
- **Executive Council complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for the matter described in this chapter:**

The Executive Government Administration Act
The Government Organization Exemption Regulations
The Members of the Executive Council Expense Regulations, 1988
The Financial Administration Act, 1993
The Provincial Secretary's Act (clause 3(d.1))
 Orders in Council issued pursuant to the above legislation

We used standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (including CSAE 3001 and 3531) to conduct our audit. We used the control framework included in COSO's *Internal Control—Integrated Framework* to make our judgments about the effectiveness of Executive Council's controls.

We examined the effectiveness of Executive Council's controls to keep reliable financial records and prepare reliable financial reports. This included examining its financial-related controls used to administer its spending, including processes used to process travel and business expense claims and to make accurate, public semi-annual reports on ministerial travel expenses.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Remuneration Rates for Legislative Secretaries Inconsistent with Board of Internal Economy Approved Rates

We recommended Executive Council work with the Board of Internal Economy to remunerate legislative secretaries at rates consistent with Board of Internal Economy approved rates. (2018 Report – Volume 2, p. 30, Recommendation 2; Public Accounts Committee has not yet considered this recommendation as of October 25, 2019)

Status—Not Implemented

During 2018–19, Executive Council (Cabinet) continued to set legislative secretaries' remuneration rates without clear, legislated authority to do so. Its rates differ from rates the Board of Internal Economy approved in its directives.

While *The Executive Government Administration Act* gives the Lieutenant Governor in Council (Cabinet) clear authority to appoint Members of the Legislative Assembly as legislative secretaries, with or without remuneration, it does not explicitly give Cabinet the authority to set the legislative secretaries' remuneration rate.⁵ Rather, *The Legislative Assembly Act, 2007*, gives the Board of Internal Economy clear authority to set legislative secretaries' remuneration rates through directives, and the Board did so.

Under *The Legislative Assembly Act, 2007*, the Board directed payment for an annual allowance of \$14,640 to legislative secretaries.⁶ Contrary to this directive, Cabinet, through various Orders in Council issued in August 2019 under *The Executive Government Administration Act*, appointed various legislative secretaries with remuneration rates of \$3,000 per year.^{7,8}

While Executive Council is aware of the differing rates, we did not see evidence of it working with the Board to ensure its rates align with Board-approved remuneration rates for legislative secretaries (e.g., it did not ask the Board to reconsider its approved rates).

Under *The Legislative Assembly Act, 2007*, Cabinet appoints the Speaker of the Legislative Assembly and nominates members as members of the Board of Internal Economy.⁹ The Board consists of the Speaker, two Executive Council-nominated Cabinet members, two Government caucus-nominated members, and two opposition caucus-nominated members.

Laws and directives set standards and controls to govern actions. Not operating within those parameters, or taking steps to do so always, increases the risk of decreasing public confidence in government.

⁵ *The Executive Government Administration Act*, section 7(1).

⁶ Annual allowance is set in Board of Internal Economy Directive #21—*Annual Indemnity and Allowances* issued under section 62 of *The Legislative Assembly Act, 2007*. Directives are available at www.legassembly.sk.ca/media/1172/directive-21-annual-indemnity-and-allowances.pdf (16 September 2019).

⁷ Orders in Council 340-2019, 342-2019, 343-2019.

⁸ Executive Council pays Cabinet-appointed legislative secretaries using the amounts set in Orders in Council. Legislative secretaries agreed to forego the amount set by the Board of Internal Economy and accepted a lesser amount.

⁹ *The Legislative Assembly Act, 2007*, section 67.



4.2 Financial Reports Reviewed

We recommended Executive Council review, in detail, its periodic financial reports. (2018 Report – Volume 2, p. 29, Recommendation 1; Public Accounts

Committee has not yet considered this recommendation as of October 25, 2019)

Status—Implemented

In 2018–19, Executive Council reviewed periodic financial reports in detail. We did not identify any significant errors in the Executive Council's financial reports.