

Chapter 4 Executive Council

1.0 MAIN POINTS

During 2019-20, the Office of the Executive Council had effective rules and procedures to safeguard public resources, and complied with authorities governing its activities other than in the following area.

Executive Council continued to set remuneration rates inconsistent with 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 coordinating government business in the Legislative Assembly; maintaining Cabinet documents, Orders in Council, and regulations on behalf of the Government of Saskatchewan; providing strategic direction in communications throughout the Government; administering policies on communications, procurement, visual identity, and online development; and operating the Government's web, mobile and social media presence.²

2.2 Financial Overview

The Office of the Executive Council spent about \$11.8 million in 2019-20 (see **Figure 1**). 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* s. 26 establishes the Office of the Executive Council.

² www.saskatchewan.ca/government/government-structure/executive-council-and-office-of-the-premier (19 August 2020).

³ *Ibid.*

⁴ publications.saskatchewan.ca/#/categories/2481 (19 August 2020).

**Figure 1—Financial Results for 2019-20 by Program**

	Estimates 2019-20	Actuals 2019-20
	(in thousands)	
Central Management and Services	\$ 5,520	\$ 5,523
Premier's Office	479	582
Cabinet Planning	1,080	893
Cabinet Secretariat	498	514
Communications Office	1,311	1,368
House Business and Research	245	176
Members of the Executive Council	137	128
Intergovernmental Affairs	2,483	1,903
Lieutenant Governor's Office	707	705
Total Expense	\$ 12,460	\$ 11,792

Source: Saskatchewan Provincial Budget 19-20 Estimates (vote 10); Office of the Executive Council 2019-20 financial records.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2020 we found, in all material respects:

- **The Office of the Executive Council had effective rules and procedures to safeguard public resources**
- **The Office of the 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 related to authority to set remuneration rates for legislative secretaries described in this chapter:**

The Executive Government Administration Act
*The Executive Government Administration Exemption Regulations (effective June 6, 2019)*⁵
The Members of the Executive Council Expense Regulations, 1988
The Financial Administration Act, 1993
The Provincial Secretary's Act (clause 3d.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. The control framework defines control as comprising elements of an organization that, taken together, support people in the achievement of an organization's objectives.

⁵ The Government Organization Exemption Regulations were repealed June 6, 2019.

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 FINDING AND RECOMMENDATION

4.1 Unclear Authority for Remuneration Paid to Legislative Secretaries

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 agreement February 26, 2020)

Status—Not Implemented

During 2019-20, Executive Council (Cabinet) continued to set legislative secretaries' remuneration rates without clear legislated authority to do so. Also, its rates differ from rates the Board of Internal Economy approved in its directives.⁶

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. The Board of Internal Economy Directive #2—Annual Indemnity and Allowances directs an annual allowance of \$14,889 for legislative secretaries.⁷ This directive remained in effect in 2019-20.

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 remuneration for the legislative secretaries.⁸ Regardless, Cabinet, through various Orders in Council, both appoints various legislative secretaries and sets their remuneration (i.e., \$3,000 per year).⁹

Executive Council officials told us that advice it received, in prior years, from Ministry of Justice indicated its practice related to setting legislative secretaries' remuneration is acceptable on the condition that legislative secretaries forego the amount set by the Board of Internal Economy and accept a lesser amount. Executive Council told us that further advice it received from the Ministry of Justice in October 2019 indicated Legislative Secretaries have agreed to forego the amount set by the Board of Internal Economy and accept the lesser rate of remuneration by virtue of accepting the appointment.

⁶ Per *The Legislative Assembly Act, 2007*, S. 67, the Board of Internal Economy is comprised of the Speaker of the Legislative Assembly (Chair), two Executive Council-nominated Cabinet members, two Government caucus-nominated members, and two Official Opposition caucus-nominated members.

⁷ Annual allowance is set in Board of Internal Economy Directive #21 - *Annual Indemnity and Allowances* issued under S. 62 of *The Legislative Assembly Act, 2007*. Directives are available at www.legassembly.sk.ca/media/1172/directive-21-annual-indemnity-and-allowances.pdf (19 August 2020).

⁸ *The Executive Government Administration Act*, S. 7(1).

⁹ Orders in Council 340-2019, 342-2019, 343-2019 issued under *The Executive Government Administration Act*.



We did not see evidence of Executive Council working with the Board to ensure remuneration rates for legislative secretaries align (e.g., ask the Board to reconsider the rate sets out in its directive).

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.