

Chapter 5 Executive Council

1.0 MAIN POINTS

During 2020–21, 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 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 \$11.2 million in 2020–21. Its website details its programs and services.³ Spending details are available in *Public Accounts – Volume 2*.⁴ The Office of the 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 (13 July 2021).

³ *Ibid.*

⁴ publications.saskatchewan.ca/#/products/108158 (13 July 2021).

**Figure 1—Financial Results for 2020–21 by Program**

| | Estimates 2020–21 | Actual 2020–21 |
|----------------------------------|----------------------|-------------------|
| | (in thousands) | |
| Central Management and Services | \$ 5,590 | \$ 5,312 |
| Premier's Office | 484 | 417 |
| Cabinet Planning | 1,093 | 813 |
| Cabinet Secretariat | 503 | 508 |
| Communications Office | 1,435 | 1,467 |
| House Business and Research | 248 | 176 |
| Members of the Executive Council | 139 | 134 |
| Intergovernmental Affairs | 2,127 | 1,752 |
| Lieutenant Governor's Office | 713 | 575 |
| Total Expense | \$ 12,332 | \$ 11,154 |

Source: Saskatchewan Provincial Budget 2020-21 Estimates (vote 10); Office of the Executive Council 2020–21 financial records.

3.0 AUDIT CONCLUSIONS

In our opinion, for the year ended March 31, 2021, 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
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 the 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.

We examined the effectiveness of the Office of the 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 for travel and business expense claims, and to make accurate and 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 2020–21, the 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.⁵

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 #21—Annual Indemnity and Allowances* directs an annual allowance of \$14,889 for legislative secretaries.⁶ This directive remained in effect in 2020–21.

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 rates for the secretaries.⁷ Regardless, through various Orders in Council, Cabinet both appoints various legislative secretaries and sets their remuneration rates (i.e., \$3,000 per year).⁸

Executive Council officials told us that in prior years it received advice from the Ministry of Justice and Attorney General indicating 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.

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

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

⁵ Per *The Legislative Assembly Act, 2007*, section 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 opposition caucus-nominated members.

⁶ Annual allowance is set in the *Board of Internal Economy Directive #21—Annual Indemnity and Allowances* issued under section 62 of *The Legislative Assembly Act, 2007*. Effective April 1, 2020, the annual allowance was \$14,889. Effective April 1, 2021, the annual allowance changed to \$14,978. Directives are available at www.legassembly.sk.ca/mlas/board-of-internal-economy/directives/ and www.legassembly.sk.ca/media/1172/directive-21-annual-indemnity-and-allowances.pdf (13 July 2021).

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

⁸ Orders in Council 485-2020, 486-2020, 487-2020, 488-2020, 490-2020, 491-2020, 492-2020 issued under *The Executive Government Administration Act*.

