

Chapter 32

Standing Committee on Crown and Central Agencies

1.0 MAIN POINTS

Through its work and recommendations, the Standing Committee on Crown and Central Agencies helps the Legislative Assembly hold the Government of Saskatchewan accountable for its management of the Crown Investments Corporation of Saskatchewan (CIC) and its subsidiary corporations.¹ The Committee does this, in part, by reviewing chapters in our Reports, as well as reviewing annual reports and related financial statements of agencies within its assigned scope.

At September 2024, the Committee had yet to review five chapters in our Reports related to CIC and its subsidiaries.

CIC and its subsidiary corporations' implementation of the Committee's recommendations related to our audit work remains strong. As of September 2024, the Government fully implemented 93% of the Committee's recommendations made during the previous five years.

At September 2024, the Committee had not reviewed the 2022–23 and 2023–24 annual reports of CIC and its subsidiaries. The 2022–23 annual reports were available July 2023.

Timely review of our Reports' chapters and annual reports demonstrates the Committee undertakes appropriate scrutiny and holds agencies accountable.

2.0 INTRODUCTION

This chapter outlines the Standing Committee on Crown and Central Agencies role and responsibilities mainly focusing on those responsibilities and activities related to our Office's audit work between October 2023 and September 2024. It also describes the overall status of the Committee's recommendations resulting from our audit work, along with the status of its review of CIC and its subsidiary corporations' annual reports.

2.1 Committee Role and Responsibilities

The Standing Committee on Crown and Central Agencies is one of the Legislative Assembly's four policy field committees.² The Committee's assigned scope encompasses CIC and its subsidiary corporations, supply and services (e.g., Ministry of SaskBuilds and Procurement), central government agencies (e.g., Ministry of Finance), liquor, gaming, and all other revenue-related agencies and entities. See **Figure 1** for a brief description of a policy field committee's responsibilities.

¹ CIC's subsidiary corporations include Lotteries and Gaming Saskatchewan Corporation, Saskatchewan Government Insurance, Saskatchewan Power Corporation, Saskatchewan Telecommunications Holding Corporation, Saskatchewan Water Corporation, and SaskEnergy Incorporated.

² Policy field committees include the Standing Committee on Crown and Central Agencies, Standing Committee on the Economy, Standing Committee on Human Services, and Standing Committee on Intergovernmental Affairs and Justice.



Figure 1—Policy Field Committees’ Responsibilities

The Legislative Assembly makes policy field committees responsible for examining certain documents within their assigned subject area. These documents include bills and regulations (proposed laws), estimates, and annual reports. During their reviews, these committees can consider issues of current concern, future objectives, and past performance.

Policy field committees can also conduct inquiries into matters within their mandated subject area. They provide the Assembly with reports on their activities and can make recommendations to the Assembly for its consideration.

The Standing Committee on House Services determines the membership for each policy field committee. Policy field committee meetings are open to the public. The Assembly’s website contains information about the composition of each committee and records of their meetings (i.e., meeting notices, Hansard verbatim, minutes, videos, and reports).

Each committee establishes a steering committee composed of the Chair and Deputy Chair. The steering committee determines how it will plan and organize its business and makes recommendations related to the committee’s meeting agenda, the calling of witnesses, and times of sittings. Their meetings are conducted in-camera and, unless otherwise authorized, decisions made by the steering committee must be ratified by the full committee.

Source: legassembly.sk.ca/media/1877/currentruleswithdestinations.pdf#Policyfieldcommittees (11 September 2024).

The Assembly gave the Committee the following responsibilities in addition to those typically given to a policy field committee:

- The Assembly, through *The Provincial Auditor Act* and under its *Rules and Procedures of the Legislative Assembly of Saskatchewan*, refers portions of our Reports (chapters) related to CIC and its subsidiary corporations to the Committee.³ When the Committee considers chapters from our Reports, our Office and the corporations’ appointed auditor, if any, attend to assist in its review.
- The Assembly requires the Minister responsible for CIC to notify the Committee, in writing, about significant transactions of CIC and any of its subsidiaries within 90 days of the transaction.⁴ The notification must outline the transaction’s objectives, the financial implications, a statement of any changed liabilities, and the authority under which the transaction was made.⁵
- The Assembly periodically refers regulations and bylaws of professional associations (e.g., CPA Saskatchewan) to the Committee for its review.

Figure 2 lists the members of the Standing Committee on Crown and Central Agencies at September 30, 2024.

Figure 2—Standing Committee on Crown and Central Agencies’ Members at September 30, 2024

Member Name	
Ken Cheveldayoff, Chair Doyle Vermette, Deputy Chair Steven Bonk Fred Bradshaw	Noor Burki Terry Jenson Dana Skoropad

Source: legassembly.sk.ca/legislative-business/legislative-committees/crown-and-central-agencies/ (30 September 2024).

³ Section 14.1(8) of *The Provincial Auditor Act* and rule 145(3) of *The Rules and Procedures of the Legislative Assembly of Saskatchewan*.

⁴ The Standing Committee on Crown and Central Agencies defines significant transactions as those that are material in amount and outside the ordinary course of business, or are judged to be sensitive and likely of interest to legislators and the public.

⁵ Rule 145(4) of *The Rules and Procedures of the Legislative Assembly of Saskatchewan*.

2.2 Frequency and Purpose of Committee Meetings

For the period from October 1, 2023, to September 30, 2024, the Standing Committee on Crown and Central Agencies met eight times (prior period: 11 times) with the purpose of reviewing bills (proposed laws), the 2023–24 Supplementary Estimates, and the 2024–25 Estimates related to agencies within its subject area.

During this period, the Committee made three reports to the Legislative Assembly:

- On November 30, 2023, the Committee presented the *Eighth Report of the Twenty-Ninth Legislature* outlining the 2023–24 Supplementary Estimates considered, and the resolutions adopted by the Committee
- On December 5, 2023, the Committee presented the *Ninth Report of the Twenty-Ninth Legislature* outlining the 2023–24 Supplementary Estimates considered
- On April 25, 2024, the Committee presented the *Tenth Report of the Twenty-Ninth Legislature* outlining the 2024–25 Estimates and 2023–24 Supplementary Estimates considered, and the resolutions adopted by the Committee

In November 2023, the Committee received one significant transaction report regarding the transfer of conduct and management responsibilities for lotteries and gaming in the province from the Saskatchewan Liquor and Gaming Authority to the Lotteries and Gaming Saskatchewan Corporation.

3.0 STATUS OF COMMITTEE WORK

3.1 Committee Work Related to Our Audits

Even though the Standing Committee on Crown and Central Agencies did not consider any chapters from our Reports from October 1, 2023, to September 30, 2024, it is relatively current in its review of our Report chapters related to audits of CIC and/or its subsidiaries.

As shown in **Figure 3**, as at September 30, 2024, the Committee had not yet considered five chapters from our Reports. The oldest chapter is from our *2022 Report – Volume 2* released in December 2022.

Figure 3—Chapters the Committee Had Not Yet Considered as of September 30, 2024

Agency	Report	Chapter	New Recommendations to be Considered
Saskatchewan Government Insurance ^A	<i>2022 – Volume 2</i>	11	2
Standing Committee on Crown & Central Agencies	<i>2022 – Volume 2</i>	26	-
Saskatchewan Water Corporation	<i>2023 – Volume 1</i>	22	-
Standing Committee on Crown & Central Agencies	<i>2023 – Volume 2</i>	31	-
Saskatchewan Gaming Corporation ^B	<i>2024 – Volume 1</i>	16	-

^A At September 30, 2024, the Standing Committee on Crown and Central Agencies had not yet considered two recommendations from our chapter about Saskatchewan Government Insurance's processes to license commercial drivers.

^B Effective June 1, 2023, Saskatchewan Gaming Corporation became a subsidiary of Lotteries and Gaming Saskatchewan Corporation.



The Committee last reported to the Legislative Assembly about its review of our chapters on March 21, 2023 (i.e., *Sixth Report of the Twenty-Ninth Legislature*). This report contained seven recommendations resulting from its review of relevant chapters for the period from November 17, 2021, to March 21, 2023.⁶

3.2 Implementation of the Committee's Audit-Related Recommendations Remains Strong

CIC and its subsidiaries' implementation of the Standing Committee on Crown and Central Agencies recommendations related to our audit work remains strong. By September 30, 2024, they fully implemented 93% of the Committee's 29 recommendations made during the previous five years and partially implemented 50% of the remaining two recommendations.^{7,8}

Figure 4 sets out the two outstanding recommendations agreed to by the Committee and their status at September 30, 2024.

Figure 4—Status of Committee Recommendations Not Fully Implemented at September 30, 2024

Outstanding Recommendation by Corporation ^A	Status
Saskatchewan Power Corporation—Planning to Shut Down and Decommission Boundary Dam (2020 Report – Volume 2)	
23-1 Use the cost estimate classification system adopted by the Saskatchewan Environmental Code to determine the contingency percentage used to estimate costs for decommissioning and reclaiming the Boundary Dam Power Station site.	Not yet followed up
Saskatchewan Gaming Corporation—Preventing Cyberattacks (2024 Report – Volume 1)	
17-1 Maintain well-defined action plans clearly addressing all significant risks of cyberattacks that may affect IT systems and data used to support and deliver casino games.	Partially Implemented (as of February 28, 2024)

^A The number preceding the outstanding recommendation reflects the chapter and recommendation number of our related Report.

3.3 Committee Review of CIC Sector Annual Reports

Annual reports are key accountability documents. As a policy field committee, the Standing Committee on Crown and Central Agencies is responsible for examining annual reports including related financial statements of agencies within its subject area (e.g., CIC and its subsidiary corporations).

Each year, CIC and its subsidiary corporations prepare annual reports and financial statements. Each summer, the annual reports are tabled at the Legislative Assembly and available for Committee review.

⁶ The Standing Committee on Crown and Central Agencies previous report to the Legislative Assembly resulting from its review of our Reports was the *Second Report of the Twenty-Ninth Legislature* tabled on November 16, 2021.

⁷ The Standing Committee on Crown and Central Agencies asked our Office to assess and report on the status of the recommendations it makes and reports to the Legislative Assembly resulting from our audit work. We assess the status of financial-related recommendations each year as part of annual integrated audits. As part of performance audit follow ups, we assess other recommendations either two or three years after the original audit and, subsequently every two or three years, until the recommendations are either implemented or no longer relevant.

⁸ Calculations are based on the Standing Committee on Crown and Central Agencies recommendations made in the previous five years—up to and including the *Tenth Report of the Twenty-Ninth Legislature*.

As of September 30, 2024, the Committee had not reviewed either the 2022–23 annual reports or the 2023–24 annual reports of CIC and its subsidiary corporations. The 2022–23 annual reports were tabled with the Committee in July 2023, and the 2023–24 annual reports came out publicly in July 2024.⁹

⁹ Committee's Branch, Legislative Assembly Service, Standing Committee on Crown and Central Agencies, *Business Referred to Committee*.

