



STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

Mr. Fred Bradshaw, Chair
Carrot River Valley

Ms. Cathy Sproule, Deputy Chair
Saskatoon Nutana

Mr. Greg Brkich
Arm River-Watrous

Ms. June Draude
Kelvington-Wadena

Mr. Rob Norris
Saskatoon Greystone

Mr. Kevin Phillips
Melfort

Mr. Randy Weekes
Biggar

[The committee met at 14:59.]

The Chair: — Well good afternoon, everybody. I would welcome everybody to today's meeting on the Ministry of Central Services. First off I'd like to introduce our members. Substituting for Cathy Sproule is Warren McCall and substituting for Rob Norris is Paul Merriman. We also have Randy Weekes, June Draude, Greg Brkich, and Kevin Phillips. And those are our members today with the substitutions.

Mr. McCall: — Thank you very much, Mr. Chair. Good afternoon to yourself, committee official Mr. Park, members, Madam Minister, officials. I guess if we could right off the top seek agreement on the ability to take off our jackets, given that it's spring. It's a lovely, warm spring day and all the warmer in this Assembly. I promise nothing more than that, but if we could seek, if you could test the members on that, Mr. Chair, off the bat, that'd be great.

The Chair: — Mr. McCall would like everybody to remove their . . . Well, you don't have to, but however, that is carried?

Some Hon. Members: — Agreed.

The Chair: — Okay, carried. We have eight documents to table today. I've provided a list to members of the documents, or members with the list of the documents that are to be tabled. Members have a copy of today's agenda. If members are in agreement, we will proceed with the agenda.

**General Revenue Fund
Central Services
Vote 13**

Subvote (CS01)

The Chair: — The committee will now be considering the estimates for the Ministry of Central Services. Before we begin, I'd like to remind officials to introduce themselves when they speak for the purpose of *Hansard*. Madam Minister, if you would just . . . Oh, one moment here. We now begin consideration of vote 13, Central Services, central management and services, subvote (CS01). Madam Minister, if you would please introduce your officials.

Hon. Ms. Campeau: — Thank you, Mr. Chair. Good afternoon. It is my pleasure to be here today to speak about last year's highlights for the Ministry of Central Services and to share our ministry's plan based on this year's budget.

I have brought with me ministry officials from a number of areas. They are here to address questions about the ministry's business by speaking to their specialized areas. Please let me introduce my chief of staff, Kirsten Felber; Richard Murray, acting deputy minister of Central Services; Troy Smith, executive director of financial services; Greg Lusk, executive director of commercial services; Bonnie Schmidt, acting chief information officer of the information technology division; Crystal Zorn, director of information security; Andre Laberge, acting executive director of property management; and Rebecca Sengmany, director of financial services.

The Ministry of Central Services is the central hub that provides support services to executive government. Its function is to enable the ministries and agencies to carry out their business. Specifically the ministry oversees government's property management, project management and delivery, information technology, transportation services, purchasing, corporate planning and risk management, records management, telecommunications, and mail services. Over the course of the 2014-15 fiscal year, the ministry has provided quality service to executive government while maintaining responsible spending during this time of fiscal restraint.

I would like to share with you some of the ministry's 2014-15 year highlights. This year the ministry has brought the Windows 7 operating system to 10,000 users across government. This was done as part of a project to modernize government's operating systems. These 10,000 users represent the majority of government users. This complex project goes beyond upgrading the operating systems. Through the project, the computer towers and laptops are also being upgraded, with a majority of users receiving a new machine.

Central Services information technology division has seen a milestone achievement in another area of note, the IT [information technology] service desk. The IT service desk is a call team offered by the ministry to users in executive government for help troubleshooting IT issues. And this team logged their 1 millionth customer service call this year since they began tracking calls on October 6th, 2002.

Our ministry has also supported open lines of communications with the stakeholders on doing business with government. This past November the ministry held the 2014 Business Opportunity Expo event. This event offered an opportunity for business suppliers in Saskatchewan's public sector to network and for businesses to learn about government's procurement needs and processes. The event drew 26 trade show booths operated by public sector organizations and served approximately 400 members of the business community at the trade show event. The business community's strong attendance filled the event's ticketed keynote luncheon to capacity.

The Ministry of Central Services also made strides in sustainability. Most recently the ministry was recognized for its sustainable operation of Saskatchewan Polytechnic Kelsey Campus with a BOMA BEST [Building Owners and Managers Association building environmental standards] in Class award. This award recognized the ministry for its operating practices at Kelsey Campus that focus on water and energy conservation, waste diversion, hazardous products management, and indoor air quality.

The ministry is also working towards reducing carbon emissions by 20 per cent by the year 2020. And we're on track to meet that goal: to date we have seen an 11 per cent reduction on a square metre basis in the last eight years in our owned-space portfolio.

On the transportation side of our business, the central vehicle agency has made changes to its vehicle shop that have improved the safety of our employees. Changes include the move to indoor drive-through service bays that offer protection

from the elements, and marked crosswalks for safety. These bays are also equipped with retractable safety barriers for extra security. Coloured vehicle markers placed on the tops of vehicles clearly indicate the status of the vehicles to ensure that it is clear which vehicles require servicing and which are ready for pickup by clients. And the addition of safety vests allow for improved visibility of staff members.

As a ministry that owns, operates, and maintains many of government's buildings throughout the province, Central Services has worked over the past year to consolidate the management of these facilities in one system called Archibus. The new system is being designed to better organize and manage information about our facilities. The project focuses on leasing and space, maintenance and service requests, environmental sustainability, and project management. It has the potential to eliminate more than 30 databases and subsystems by using one central database.

One of Central Services' core responsibilities is to administer building projects, of special note a building project that began last year to restore and preserve our Legislative Building's 101-year-old dome. This project is addressing damage to the stones, copper roofing, facade, and water management system due to weather exposure and age. Whether in person or on the news, the people of Saskatchewan have seen the extensive level of prep work completed on site, including the project's crane assembly, steel structure assembly, and installation of the vinyl enclosure.

Looking back on this past fiscal year, it is clear to me that the ministry has made a valuable contribution to government and the province. As 2014-15 comes to a close, plans are in place for the ministry's programs and services to be delivered in the new fiscal year.

While fiscal restraints have some influence on our planned projects, it also enables us to focus on our core business and priorities. On that note, please allow me to share with you some of our core programming planned for the 2015-16 fiscal year. One of the planned areas is the work site preparation for the replacement of the Saskatchewan Hospital in North Battleford. The new 188-bed integrated mental health correctional facility will replace the existing 156-bed facility and will also include a 96-room correctional facility. The procurement process is led by SaskBuilds and the facility will be owned by the Ministry of Central Services.

The ministry will also continue to carry out work on the Saskatchewan Legislative Building's dome restoration. Once complete, this project will have restored and protected one of Saskatchewan's most important heritage buildings and architectural assets for many years into the future.

Safety is a priority of Central Services. This is why, as the landlord for many government buildings, we have planned for upgrades to fall protection. These upgrades are important to keeping workers safe so they can return home to their families at the end of the day.

Central Services also has plans in the IT side of our business to help Justice and Corrections realize their goal of consolidating four critical applications into one. This multi-year initiative will

streamline management and storage of Justice and Corrections data. These planned projects are all centred on enabling executive government to deliver quality service to the people of Saskatchewan. It is this kind of important, behind-the-scenes work that makes the show go on for government programming and deliver the services that the people of Saskatchewan expect.

It has been a pleasure to look back at the work done by the Ministry of Central Services over the past year and to share the contributions of the ministry with you today as well as the ministry's plans for the upcoming fiscal year. I look forward to another year full of quality work and great activities. Thank you, and I welcome any questions about the Ministry of Central Services and its business.

The Chair: — Thank you, Minister. And have we got any questions? Mr. McCall.

Mr. McCall: — Indeed we do, Mr. Chairman. Thanks again and again welcome to the minister and officials.

I guess off the top a question about the FTE [full-time equivalent] complement in Central Services. If the minister's surveyed past estimates for the committee, she'll know that it's been a question of some, some interest. And certainly the year to come is stating the estimated FTE count at 833 positions for the ministry. That's down, I believe, 18.9 FTEs from the year previous, and it follows on the heels of, for example, the 2013-14 annual report. It makes mention of the fact that the FTE budget was for 851.9 FTEs and the actual utilization was 968.6 FTEs, including 42 FTEs for students.

Now that's fine and good, but the minister or officials will also remember that in that pass, the ministry was also slated for a reduction in FTEs by 173. Now I know there's a lot of numbers there. I'm almost making myself dizzy just trying to follow the bouncing ball. But could the minister or officials tell us what's happening with FTEs in the Ministry of Central Services? Is that a function of summary statements, or what's going on with the number of FTEs in Central Services, both over the past couple of years historically? And then if you could deal with what's before us in particular.

Hon. Ms. Campeau: — Thank you for the question. So over the past five years the Ministry of Central Services has achieved an 18.4 per cent reduction to its workforce, and the Ministry of Central Services has reduced its number of full-time equivalent staff by 18.9 positions. This reduction is being done to provide services more efficiently and effectively. The ministry is aiming to operate in a way where all of its staff can help to better support the core areas of our business. So the reduction was achieved through attrition, vacancy management, and efficiencies, and no layoffs were issued as a result.

Mr. McCall: — One more time to the minister or officials, if you could restate the number of FTEs that have been reduced over the last five years.

Hon. Ms. Campeau: — So to answer your question, over the past five years the Ministry of Central Services has achieved an 18.4 per cent reduction to its workforce.

Mr. McCall: — Thank you for that. 18.4 per cent moving it

from a total number of FTEs to what total number, if you've got that for the committee?

[15:15]

Hon. Ms. Campeau: — So over five years we've gone from 1,112 to 886 for this year.

Mr. McCall: — I thank the minister for that answer. And what is the confidence of the minister and officials that the estimated number presented here today will be borne out by the annual reports, again given the variance in the latest annual report available where it moved from again the estimate of 851.9 FTEs versus an actual utilization of 968.6? And again it's no small point, because you've got over 100 full-time equivalents. These are people's jobs, people's livelihoods, and part of that public service that we all talk about valuing. So what's the confidence level in terms of the estimated number being presented here today and how that's going to be shown up in the annual report?

Hon. Ms. Campeau: — Yes, we do have a utilization problem. We've made great gains through vacancies, attrition, retirements. And it's our intent to reach that goal without layoffs, and we're pretty confident about it.

Mr. McCall: — I guess you've provided, or the minister's provided the information for the past five years in total. Is there sort of an average variance that is demonstrable in terms of what is estimated and then actual over that same period of time? I guess, again I appreciate these are estimates, but both in terms of the employees required to do the job and the dollars that are attached to the job set out for a given ministry are pretty fundamental to the work of any given ministry or government agency.

So again I appreciate there are things that come along in the years or within the course of a given year, but these are numbers that are very important and obviously should be as close to accurate as possible. So I guess, is there a given variance year to year that the ministry's been able to observe? And the minister stated that there's confidence going forward. That's good. But what's the variance been on an annual basis over the past five years?

Hon. Ms. Campeau: — I'm going to let Troy Smith answer that question.

Mr. Smith: — Thank you. Troy Smith, executive director of financial services. The major, I guess, reduction for us came in the '13-14 fiscal year and, prior to that, '12-13. And prior to that, the ministry was pretty much on budget with respect to FTEs.

In that year, the '13-14 fiscal year, it was about a 142 FTE reduction. That's excluding the PSC [Public Service Commission] who was with us at that time, so some of those were for the PSC. So since that time, the 142 reduction in '13-14, we made progress every year towards that goal.

I believe last year, at the end of last year we were about 73 FTEs over. And at the end of this year, we're estimating we're about 34 FTEs over. So there is still some work to do with respect to meeting those budget numbers.

Mr. McCall: — Madam Minister, official, I thank you for the answer. And again of course, and we'll get into this soon enough in the deliberations, but making sure that you've got the employee complement to do the job is critical to doing the work set out for any given ministry. And if you don't have the complement, the work still needs to get done, and then of course it leads to overreliance on consultants, which is something that the ministry has come into some significant comment from the Provincial Auditor for.

Now I appreciate that, given you've got the information technology office, in and of itself that's an area that's given to a fair amount of turnover. I appreciate other sort of labour market challenges that may pose themselves for the Central Services. But again, if you don't have the FTE complement correct, then it lends to other problems and inefficient delivery of public services and inefficient use of public resources.

But I guess the next question I'd have in this particular vein is, of the seven officials you've got here with the senior leadership team with Central Services, three of them are acting. And again, having that stability with the senior leadership complement is always of a certain importance. I appreciate that Deputy Minister Murray has been with the ministry in one shape or another for some time, so that's all to the good, but he's also been acting for much of the past year. Could the minister or officials update the committee as to what the plan is to bring some stability or some permanence to the senior leadership complement of Central Services?

Hon. Ms. Campeau: — Thank you for the question. Actually I feel very fortunate that Richard Murray is the acting deputy minister because he's been around since 1999, and he's working to bring stability in terms of our leadership team. And Andre is acting behind Richard. He's looking after what Richard was doing while he's our acting DM [deputy minister]. We've had a difficult time in terms of trying to recruit for an IT CIO [chief information officer]. But Richard's been working very hard in terms of, you know, bringing stability. And also Bonnie's been on the job for two months, and I believe we've made gains in the last few months in terms of turning around our IT file.

In terms of the last thought before you had asked this question, I just wanted Richard to kind of reiterate in terms of our FTEs.

Mr. Murray: — Yes, I just felt it was important — Richard Murray, acting deputy — I thought it was important to make a note that while we have seen significant FTE reductions over five years, a substantial number, we at no time would put our services to our customers at risk. I think it important to note that we've done a fair amount of lean work within the ministry. We've done lean projects to realign our central vehicle agency efforts, create a hosted contact centre to increase the efficiency of handling calls from vendors for repair authorizations, for example, by 50 per cent.

Our construction services review reduced the duration of projects from request to closeout significantly and allowed our construction services team to completely eliminate paperwork in terms of what they do, which has increased the amount of work that they are available to do. Card access administration, pool vehicle management — those are all great examples of

ways that we're able to do things more efficiently through some pretty progressive lean initiatives.

And we've got six more lean efforts planned here for this fiscal year on the IT side that we're hoping can also improve the efficiency of the organization, allowing us, if you will, to do more with fewer FTEs. I just felt it was important to get that point in, so thank you.

Mr. McCall: — I guess to ask the question a different way, does the minister or officials anticipate a point in time, either coming right up or medium term, long term, when the acting positions will be rendered permanent? What's the timetable for that important human resources work?

[15:30]

Hon. Ms. Campeau: — Thank you for the question. There is no specific, I guess, term in . . . I guess, we are actively looking for a CIO. It's very difficult at this time to find somebody with the experience and the qualifications. Definitely Bonnie's been very helpful, in having her in that position. In the past few months we've been looking for, you know, quite a few months in terms of looking within Saskatchewan and also looking in the different provinces, somebody with the capacity to handle that position.

So I can't give you a specific timeline of when we're going to have that position filled permanently. So it could be, you know, within a few weeks or a few months. It just depends on when we do find an appropriate person. But in the meantime, Bonnie's been doing a fantastic job. She's definitely, you know, bringing our IT file up to a standard that we haven't had in the last little while. And Richard, with Richard's direction, definitely he's been phenomenal in terms of advising and guiding myself. As a new minister in learning this file, definitely fortunate to have him in the acting deputy minister role.

A Member: — It will come when it comes, I guess.

Hon. Ms. Campeau: — Yes. I can't give the specific date or timeline. We're working on it, and definitely we'll continue to work on it and bring stability into the leadership team as well as our IT.

Mr. McCall: — Thank the minister for that answer. I guess so there's, moving through the positions, for Acting Deputy Minister Murray who I would concur does fine work on behalf of the people of Saskatchewan, there's no immediate plan in terms of finalizing that position. The minister's not aware of such a plan or a date that might be impending.

Hon. Ms. Campeau: — No. We're just trying to get through the session right now.

Mr. McCall: — You know what? That's probably the most honest thing I've ever heard in this Assembly, and good on you for getting it on the record.

But I guess again we're here for consideration of the estimates for Central Services, and it's important to give due consideration to the plan for the ministry and then how that fits

in overall with the government's plans. And I don't want to belabour the point, but how long has Deputy Minister Murray been in an acting capacity? It would seem to me that it's been close to a year. Would that be correct?

Mr. Murray: — I'll jump in. Sure, I've been acting for 13 months, stepped in when my predecessor retired on fairly short notice, unexpectedly. Honestly, I don't think about it. I don't worry about it. I come in every day. I lead the troops on strategic planning exercise, long-term planning. And a decision on permanency or not will be made at such a time, but I don't think about it. And I certainly don't let myself, I certainly don't let my acting title slow me down or get in the way, and my whole team I'm sure will tell you that. We take it one day at a time. We come in. We do our planning. We do delivery of our services. And a decision will be made at such a time as a decision is made.

Mr. McCall: — I thank the acting deputy minister for that informative and inspiring answer. And certainly that's been my experience of the work involved on the part of yourself and other individuals from the ministry. I guess the point stands though in terms of if you haven't got that stability, that security within the senior leadership team, it compounds other challenges that might arise in the day-to-day functions of your given ministry or agency.

So I'll not belabour the point any further, but maybe under the whole question of ITO [information technology office], I know that that's been given to some significant turnover and brevity of tenure for the different, different folks setting up that shop. So again it's not, not to cast any aspersions on the good work of present incumbents or anything like that, it's just to recognize that in the ministry generally you need that security and stability. And then in something like ITO where there's significant turnover, it makes a bunch of other things all the harder to accomplish on the part of the people.

Hon. Ms. Campeau: — I want to reiterate definitely what Richard has just said. It is business as usual in Central Services. And he talked about long-term strategic planning, that's still going on, regardless of the acting positions. It is business as usual. There are challenges for sure, and it's definitely . . . We're working on ways to address those challenges. And you know, once decisions will be made, it'll just all, we'll just follow the current plan that's been going on in. And since 1999, Richard's been with ITO and they've had . . . [inaudible interjection] . . . six employees, yes. He was there when way back in the day when they only had six employees. So definitely his leadership and his experience and, you know, he knows the business. And definitely it's business as usual.

Mr. McCall: — I'm reminded that once upon a time my grandma used to feed punch cards into one of the computers for the Ministry of Finance as well. But I wouldn't want to hold that against the work that Mr. Murray has performed or anything like that, but I guess we'll leave the point there.

But again in terms of, and perhaps this is something to be taken up elsewhere, but you should have, there should be a clear idea as to what's the HR [human resources] plan, not just ministry-wide, but certainly with the senior leadership complement. Because, like I say, it makes a bunch . . . And

kudos to folks that are just soldiering on and just taking it one day at a time and getting the work done. But it's a pretty fundamental aspect of a good HR plan.

In terms of the reduction that's anticipated this year in terms of the 18.9 FTE reduction, can the minister or officials characterize how that will be accomplished and, moreover, where those positions will be eliminated from in terms of the Central Services roster?

Hon. Ms. Campeau: — Thank you for the question. So this year, we are planning six lean events on the ITD [information technology division] side, as well as four lean events on property, and as well as two lean events on procurement. We're constantly looking for efficiencies within the ministry, and there will be no laying off or no firing of any positions. We'll be redeploying our employees into other positions.

Mr. McCall: — So the 18.9 reduction in the FTE complement for the ministry is dependent on the execution of these six lean events? Am I correct in that understanding?

Hon. Ms. Campeau: — So we will have 12 lean events. And from the lean events then the efficiencies that we do find will be dependent on that.

Mr. McCall: — Just to clarify, is that six lean events or 12 lean events ministry-wide?

Hon. Ms. Campeau: — Twelve lean events ministry-wide: six in ITD, four in property, as well as two in procurement. So it's 12.

Mr. McCall: — Okay. I guess one of the things that's always been sort of interesting for me watching the way the government goes about lean exercises . . . And as you know, I'm not a sensei. I'm not a sigma 6 black belt or anything like that. But I can read a book, and I've read a little bit about lean. And I've been interested to see it go on. And certainly in a place like Central Services, the process engineering side of lean would make some sense.

But I guess the thing that's always struck me as interesting is that the government sets out the reduction targets and then goes about the lean exercises to reduce the employee complement, to eliminate jobs, when sort of classic lean methodology would instead have you looking at the work that needs to be done, talking to the workers that do the work, and then redeploying from there. And if there are reductions, then you'd pursue them as such. So I guess how did the 18.9 FTE reduction, again in advance of the lean exercises, how did that target come to be decided upon?

Hon. Ms. Campeau: — Thank you for the question. That pertains to basically conversations to what we are able to achieve in terms of finding efficiencies and redeployments, and we'd rather do it this way than 18 layoffs and send people home.

You know, we're talking about lean. It's about bringing positive change across the public service. And first and foremost, lean is about improving programs and services and looking for efficiencies always and definitely taking into account the

taxpayers' dollar and how we manage that money within our ministry, and definitely also thinking about our employees. We would rather work with our employees and redeploy them into other areas rather than, you know, send layoff notices.

[15:45]

Mr. McCall: — Again I appreciate that, but the bottom line is you've got 18.9 estimated fewer FTEs to do the work of Central Services. How was the 18.9 figure arrived at? Was it dealt to the ministry by treasury board or did the ministry come up with it or did the Public Service Commission make the rounds with what everybody's reduction or increase would look like? What is the rationale behind the figure of 18.9 FTEs to be reduced for the year to come?

Hon. Ms. Campeau: — Thank you for the question. Decisions regarding FTEs is part of the treasury board process as you well know, as you were part of government once and in cabinet as well, so you know what the treasury board process is all about. So it's decided by treasury board. It's a part of their annual budget preparations.

And also I want to reiterate as well, these positions, you know, we found them using vacancies, attrition, and retirements, so we didn't send out any pink slips or lay anybody off as a result of these positions. So we would rather do it that way and meet those targets rather than, you know, having to let somebody know that they don't have a job anymore.

Mr. McCall: — I thank the minister for the answer. And again I guess in previous rounds of estimates for Central Services, a predecessor of yours, we had, you know, there was a reduction of 173 FTEs set out before the ministry. And you know, again I couldn't really get an answer in terms of how that figure had been arrived at, so this isn't new in that regard. Then when you look at the 2013-14 annual report, which was for the year in question, the estimates that I was talking about with the 173 reduction, you know, the estimate was 851.9 and the actual utilization was 968.6, so again there's a big, big variance.

And I agree. The whole question of pink slips or valuing your employees and the work that they do is critical, and that's part of the importance of what we're talking about here today. So again it gets back to what kind of confidence we can have in terms of the numbers being presented around the folks that are going to be doing the work for Central Services and how something like an 18.9 reduction in full-time equivalent positions is arrived at. So you know, I guess I'll await how this plays out and how the lean exercises go and then how it's actually borne out or not come the annual reports. But it's a pretty fundamental question of how a ministry does its business.

I guess on the whole question of lean generally, I guess there's the 12 exercises identified. There have been other exercises undergone historically. The minister had referenced the central vehicle agency undertakings, other efforts. What sort of use of lean consultants specifically is there on the part of the Ministry of Central Services, and how much expertise has been developed within the ministry itself? Can the minister or officials characterize that for the committee.

Hon. Ms. Campeau: — Thank you for the question. So the

number of lean events in Central Services, we've completed 21 lean events since 2010. And the breakdown by fiscal year is: in 2010-11, we had seven lean events. 2011-12, we had two. 2012-13, we had five. 2013-14, we had four, and 2014-15, we had three lean events.

We do have a dedicated lean staff in Central Services. We have one full-time FTE that's dedicated to lean within the ministry, and the budgeted salaries for lean are 90,000. So we have in-house lean, expert lean leader.

Mr. McCall: — I thank the minister for that answer. In terms of . . . How long has that been the case? And I guess for the activity that the minister's outlined for the committee, how much of that would've been conducted with the in-house lean leadership, and how much would've been brought about by a consultant?

Hon. Ms. Campeau: — Thank you for the question. So early on there was some reliance on a consultant, in 2010-2011, 2011-2012, and then after that we relied on staff, lean leaders to head the events. And we did use a consultant only for the very complex or very large events.

Mr. McCall: — The spike in the number of lean activities for the year anticipated up to 12 from relatively low numbers over the last immediate years, is there any particular reason why that's so?

Mr. Murray: — So the events in '14-15, yes, there were only three. One of them though was a very large, very complex event on our procurement front that was really six value stream mapping events in one, if you will, although we're characterizing it as one very large event related to procurement improvements. We also conducted, last year, value stream identification exercises on the IT side as well as the government . . . we call it the government services side, the property side. And those value stream identification exercises have identified a number of value stream mapping events. And so hence you'll see a fairly significant jump in our numbers for '15-16, for the current fiscal year, because of the pretty significant work we did last year identifying potential value streams, prioritizing them and, as I say, fairly large events last year.

Mr. McCall: — Thank you for the answer. And I'd be remiss if I didn't ask: the lean leadership, that's a permanent position? It's not an acting position?

Mr. Murray: — That is a permanent position, not an acting position. Yes.

Mr. McCall: — Thank you for the answer. In terms of the HR picture for Central Services overall, how's the turnover rate doing? How's the general recruitment and retention picture working generally through the ministry?

Mr. Smith: — The permanent full-time separation rate currently is about 7.4 per cent, down from about 9.3 per cent the previous year.

Mr. McCall: — And just for comparison's sake, any familiarity with what that might be for other ministries throughout executive government?

Mr. Murray: — Sorry, we do not know that. I will say though, the ministry's a little bit unique. The IT side of the bench is among the youngest in government. The Government Services side is among the oldest ministries in government, so we see a lot of retirements on the Government Services side. We have a very surprising number of 35-plus-year employees on that side, and we see opportunistic younger employees on the ITD side who may separate for reasons of opportunities in the current hot economy. And so I think our numbers might be a titch higher than other ministries for those two reasons.

Mr. McCall: — Good to know. Thanks for that insight. In terms of former employees returning under contract, does the minister or officials have any information as to how that might be working out in Central Services?

Mr. Murray: — I think we're pretty familiar with contractors, know most of them by name. And I would suggest that I'm not familiar with any that have, former employees who have resigned and come back as contractors. We don't encourage it, certainly.

Mr. McCall: — Okay. Thank you for that. At present, how many vacancies are there in the ministry?

Mr. Smith: — We currently have about 53 vacancies within the ministry.

[16:00]

Mr. McCall: — Thank you for that. Any insights as to how those might be dispersed throughout the ministry?

Mr. Smith: — So currently we have about four positions on the information technology side; 17 positions on the commercial services which would be procurement, mail services, central vehicle agency; and the remaining 22 positions would be on the property management side.

Mr. McCall: — Thank you for that. As for the whole permanent position question, is there any directive or drive in place to fill those positions, or is there some kind of a pause placed on those efforts until the completion of the lean exercises?

Mr. Smith: — So the ministry has developed a priority listing for those positions that are critical and need to be staffed, and so we'll proceed to staff in order of priority, leaving those positions that can wait for a time until later in the year.

Mr. McCall: — Of course now I want to know what the priority list is.

Mr. Murray: — The priority is front-line staff providing services to our clients. Priority is individuals who are improving health and/or safety of our buildings, our environments, and critical areas such air ambulance pilots for example would be a priority area so, as I look at it, priority staffing. Yes.

Air ambulance, we've got fourth-class engineers that are required by law at some of our facilities. We've got a co-pilot position. We've got some building operators on those facilities that are really down staff and are perhaps in remote areas that

have to run. And facility cleaners are of critical importance. Buildings must be cleaned, and so those are our front-line staff that we have proceeded with.

Mr. McCall: — Thank you for the answer. I guess the next question would be, as the deputy minister had referenced it, is there a geographic composition to the positions? Is it remote positions being harder to recruit, or what's at play there?

Mr. Murray: — There is a geographic component, but I'm going to suggest that that geographic component is only coincidental. The positions and what they do are most important. I've got a facility operator in Creighton for example that we'll proceed with, Melfort, Tisdale, Prince Albert, Saskatoon, Buffalo Narrows, so — Regina and Saskatoon — as a ministry that is located all over the province literally, we have found the need for priority positions all over the province as well.

Mr. McCall: — Thanks for that. I guess into the question of consultants, and squarely with the auditor's report, in the chapter that focused pretty significantly on the activities in Central Services, came out towards the end of the last year, what's the . . . and we've had some iterations of the plan to date, but what is the ministry's plan to respond to the concerns raised by the auditor?

Hon. Ms. Campeau: — Thank you for the question. We value the auditor's input into ways we can improve our processes, and to that end our procurement team has developed new consulting procurement guidelines. The guidelines are in draft right now and are just being finalized, and we expect them to be communicated to all CS [Central Services] staff sometime in May.

Mr. McCall: — I guess moving through the five recommendations of the auditor, recommendation one: we recommend that the Ministry of Central Services establish a policy that guides "when to use an employee as opposed to hiring a consultant." Again referring to page 166, chapter 30 of the auditor's report. That will be concluded along with the work the minister has identified.

Hon. Ms. Campeau: — The ministry does have processes in place to evaluate the need for a consultant versus using the skills of employees. The applications area of the ministry, which is the area most reliant on consultants, has a skills registry in place and the registry outlines the technical skills and the competencies each employee has and the technologies they are trained in. And through that process, the ministry can quickly and easily identify when they require a consultant versus using an existing employee's skills. While a formal policy isn't in place, ministry officials have a strong management of what technical skills are available in the employee base.

Mr. McCall: — So by the minister's answer then, is she stating that the ministry is already in compliance with the recommendation of the auditor or what?

Hon. Ms. Campeau: — So we have new guidelines in place but the guidelines were developed to strengthen our management of consultants, improve agreements, and provide

feedback on consultant performance. The guidelines will be provided to employees who hire consultants through the ministry and will be in place in the future. The new guidelines will ensure employees are following a consistent format for the use and management of consultants.

So the guidelines will clearly identify principles that the ministry will follow in order to contract services from the private sector, and they also lay out how employees document the need for a project and process, and the process to identify the need for a consultant. They also identify the process to hire a consultant for any scope of project, and they state how to properly establish an agreement with a consultant, including sections like consultant-deliverables, roles and responsibilities, dispute resolution, and performance evaluation practices.

The guidelines clearly define a process for contract amendments and extensions. And the competitive process in the past did define the skills and competencies required of the consultant, and through the competitive process, consultant proposals are evaluated and the most qualified consultant at the best price is hired. Monitoring and evaluation of consultants does presently take place and disputes are resolved. The auditor would like a more formalized process and we are aware of that, and we take it very serious, her recommendations. And the ministry recognizes, and we're developing new guidelines.

Mr. McCall: — So again the new guidelines will be effective as of when?

Hon. Ms. Campeau: — They will be shared within Central Services in May.

A Member: — June 1st.

Hon. Ms. Campeau: — June 1st? June 1st. And we believe that the new guidelines will meet with the auditor's approval at our next Public Accounts meeting.

Mr. McCall: — And of course those guidelines will be made public?

Hon. Ms. Campeau: — Yes.

Mr. McCall: — Hansard was recording all that nodding going on, I'm sure. Okay. Duly noted. Okay. Well I guess we'll await the work. As far as the interim goes, what's the game plan until the new guidelines are brought into place?

Hon. Ms. Campeau: — Currently the staff are aware of the principles and currently we're finalizing the guidelines with the existing staff.

Mr. McCall: — Okay. I guess in terms of the use of consultants more generally throughout Central Services, can the minister or officials characterize what type of consultants have been used over the immediate past and how that stacks up in terms of . . . Again I'm sure there are some that it's more intensive than others, but oh for example within the . . . Well from 2008-09 there was 8 million, just over \$8 million worth of consultancy secured by the ministry. In 2013-14 that was 21.696 million. How are those dollars deployed throughout the ministry in terms of the use of consultants?

Mr. Smith: — So I just want to I guess provide some context on the 2013-14 numbers, and then I'll go back and kind of answer sort of the breakout between the divisions. In 2013-14 the Public Service Commission was a part of Central Services, and also the projects group, including the productivity fund. So those two groups added to the increase between '12-13 and '13-14. If we removed those groups from the discussion today, the '13-14 number is about 16.2 million. Then the majority of that spend in each year is on the information technology side, with roughly, sort of in the neighbourhood of 400,000 on kind of the property management side of the business. So the majority is with the information technology side.

Mr. McCall: — So above and beyond the 16.2 million spend, there's roughly \$5 million that's rightly characterized as belonging to Public Service Commission? That is correct?

Mr. Smith: — That's correct, about five and a half million: 4 million belonging to the Public Service Commission, and about one and a half million dollars related to the productivity fund.

Mr. McCall: — And just to refresh my memory, the productivity fund was for lean exercises — am I understanding that correctly? — or just sort of productivity generally.

[16:15]

Mr. Smith: — Yes, so lean was certainly a part of that as well as, you know, finding other improved ways of doing business.

Mr. McCall: — Thanks for that. In terms of again one of the things that had come up under the different sort of scrutiny, but in terms of not documenting reason for hire, what sort of scenarios are there that you wouldn't be documenting the reason for hiring various consultants?

Mr. Murray: — I think that was sort of defined as when contracting an individual to very specifically, the comment was, to very specifically lay out the project that that individual would be working on, but there were circumstances where we would hire or contract a project manager for example. And our project managers don't just do one project; they do many. And so that would be a case where, you know, it wouldn't just be the six projects that are ongoing right now, but there might be another four next week. And so we may not have clearly laid out every specific project that the individual would be working on. We may have characterized it as a variety of projects.

We also have cases of very extremely technical individuals that we would contract and similar type of circumstances. So for example, Oracle skill sets are hard to come by in the marketplace, certainly in this marketplace and in Western Canada, Oracle HR in particular very hard to come by. And so if we are fortunate enough to contract an Oracle HR individual, their contract may very well lay out or say to do work on a variety of projects because they will hop from project to project as that particular difficult-to-acquire skill is laid out.

Mr. McCall: — I thank the officials for the answer. In terms of the services that have been contracted for — and if I missed this in the explanation around or the explanation of intent around the new guidelines — is there going to be a specific lens being applied where instead of going with a consultant, if it makes

more sense to bring those services in-house, is that going to be part of the go-forward plan for the ministry?

And certainly to use an analogy, lean started out as something that was contracted for, and then the expertise was developed and brought in-house because it was deemed a priority for the ministry. Are there other activities of the ministry that would follow a similar path? And is that going to be part of the go-forward plan for HR and responding to the auditor's report?

Mr. Lusk: — Greg Lusk. In this policy or these guidelines we put together it's . . . Because we actually looked long and hard at what the auditor was expressing concerns about, I mean because naturally you want to respond.

And so part of the guidelines that we've put together in fact say, okay there are certain circumstances under which you logically hire a consultant and not, and that needs documented as part of any process before you ever go to competition. And so that would be part of what we'd be training folks on, so that in fact what you'll do is you'll identify the requirements, the specialized nature. There may in some cases be legal obligations to do it. There may be timing. And there in some cases may not be people internally to do it. But those need to be documented as part of the case before you ever go to competition. Naturally the decision to use a consultant or internal personnel is a business decision and it's made balancing all these factors. But that is part of an element in this new guideline, that we do expect people to formally answer that question.

Mr. McCall: — I'm glad to hear that. So that would be part of the guidelines going forward from June 1st. Is that correct?

Mr. Lusk: — Yes.

Mr. McCall: — Thank you very much for that answer. I guess in terms of what's happening with ITO generally, is there any sort of anticipation around what this will mean for the recruitment strategy on the part of the government? And I certainly take the deputy minister's point about there are some things that are quite rare and complicated and, you know, Oracle HR software being one of them. But is there any sort of anticipation on what this will mean for the utilization of consultants in ITO?

Mr. Murray: — I'm going to suggest that not at this time. So I'm going to say that consultant numbers . . . I mean, we generally use contractors or consultants to fill positions that are difficult to recruit for or where specialized expertise is required, and the numbers do tend to vary from year to year, depending on the number of projects in play, the complexity of those projects.

I will say that we are just wrapping up our '14-15 numbers, and we're down from 79 consultants to 58 consultants, so a 25 per cent reduction over the previous year, over '13-14. That's a reflection of, you know, perhaps fewer consultants were required or some projects were seen through to completion. I guess only time will tell in terms of skill sets required, skill sets lacking. We've got pending retirements on the IT side and, you know, I guess we look forward to the next year and seeing where we land.

Mr. McCall: — For the overall consultants number that the deputy minister had referenced, what's the dollar figure attached to that activity?

Mr. Murray: — We have not yet quite closed out the books for the previous fiscal year, so I'm sorry, but I do not have a number for that today. I've got the number of actual consultants that were onsite on March 31st. So that's as of March 31st, but I don't think we've got a number yet for the ... [inaudible interjection] ... Yes, that's correct.

Mr. McCall: — Thank you for that. I guess moving on through the different sort of ... of the more salient questions that come to mind, on the property management side of the ministry's activities, there is certainly a jump in capital acquisitions in terms of the expenditure. Does the minister or officials care to characterize for the committee what's going on there and what precipitated that increase in expenditure?

Hon. Ms. Campeau: — Thank you for the question. So work will begin this summer on the replacement for the Saskatchewan Hospital for North Battleford. The Saskatchewan Hospital North Battleford integrated correctional facility will include a 188-bed health facility and a 96-room correctional facility.

The project is a design, build, finance, maintain, public-private partnership procurement model, and the new facility will be built on the existing hospital grounds near the current hospital building, minimizing disruption to patients during construction. So the capital allotment for this, for 2015-16, is 126 million point zero two five, plus 3 million for site preparation.

Mr. McCall: — It brings to mind a number of questions. I guess certainly for one, could the minister or officials characterize the manner in which Central Services interfaces with SaskBuilds, which is the P3 [public-private partnership] vehicle for the Saskatchewan government? How does that relationship work?

Mr. Murray: — As deputy minister, I am a member of the Sask Hospital North Battleford steering committee. So that's our interface with SaskBuilds. We are the long-time owner of the property and the current facility for probably 100 years, 102 years. We will be the owner of the new facility as well. The capital dollars have been provided through our budget, so we will own the new facility.

We are responsible for site preparation work, and there's a variety of pieces that go into that. For example we'll ensure that two separate power lines are brought into the new site. We will ensure that SaskTel lines will be relocated from the project site. There will be development levies and temporary construction roads required. SaskEnergy gas lines, the water and sewer lines — all of that is part of our purview.

Then the build will commence. They are in a procurement phase right now. But ultimately we will own the new facility on the same property as the old facility that we've always owned.

Mr. McCall: — In terms of the new guidelines that have been brought forward around procurement and the whole question of trying to maximize value for Saskatchewan people and

companies in the pursuit of Saskatchewan projects, how is that impacting the work of Central Services as it goes forward for something like the Saskatchewan Hospital?

Mr. Murray: — In terms of our site preparation work, not at all. We've received ... Part of that capital allocation is \$3 million for site preparation, and we will conduct that work. We've had a great working relationship with SaskBuilds as we participated through the steering committee, and so it's been a good, positive experience so far.

Mr. McCall: — Okay. Are there other projects on the immediate horizon similar to the work that's been done in conjunction with SaskBuilds, for Central Services?

Mr. Murray: — No, not that I'm aware of.

Mr. McCall: — Okay. In terms of the inventory of properties that are under the purview of Central Services, is there such a thing as properties that the government's going to be looking to take off its hands, liberate to new owners? I guess is there some kind of, in terms of the inventory of properties that Central Services is tasked with maintaining, is there anything that is anticipated for the year to come in terms of sale or disbursement?

Mr. Murray: — So in the 2014-15 fiscal year, we sold seven buildings and a land parcel, and we demolished a building. And so we are the owners of 700-and-some-plus buildings around the province, and so they age. They deteriorate. Some of them are no longer required for use. Proposed land disposals, possibilities here for, coming up this year, there are a number of possibilities for consideration. Did you want to hear about last year's disposals, or ... No?

[16:30]

Mr. McCall: — I guess if again, time being precious as it is, if there are ... I guess if you could give us the highlights of that but as well, if you could reference what the methodology or the approach of Central Services is when it comes to the disposal of assets. And again I recognize, as the deputy minister has pointed out, that there's a lot of assets in the portfolio.

Mr. Murray: — Our disposal policy is quite clear. So we do have a process in place to dispose of land and/or buildings that are no longer required by executive government. The first thing we do is, once we receive notification from a tenant that they are no longer needing the space, we then determine if the property can be used by another executive government ministry. If not, then we have the property appraised to determine fair market value, current market value, and then generally property offered to the public through a call for proposals, RFP [request for proposal] process, or some sort of a real estate listing. Although there have been circumstances where, you know, the community has had a need for a building; we've worked with a community to make it available to them. The Wolseley Court House would be an example of something like that where the community had a real strong need, a real strong desire to own that important heritage property, and so we worked with the community to make that happen.

Mr. McCall: — Okay. In terms of properties that have sat

vacant or dormant, is there any sort of priority assessment that goes along with that in terms of properties that have sat vacant? What's the approach in terms of asset management on the part of the ministry?

Mr. Murray: — Sorry, I guess I'll have to ask you for clarification on that. So a property like Wolseley Court House, a heritage property that may have sat vacant for many years?

Mr. McCall: — Sure.

Mr. Murray: — We went through a number of efforts over the years to try and find a tenant for the Wolseley Court House, as an example of a building or facility that sat vacant for a very long period of time. You know, it's the old realty adage — location, location, location — and that location was perhaps not ideal in terms of attracting a government tenant. And because it was a building that was built in the 1880s, it had some unique problems of its own. So we do make an attempt to try and find a resolution or a tenant or a good placement for all of our vacant properties but some of them do sit. It can take time as the real estate markets come and go and rise and fall with the times.

Mr. McCall: — One I think of in particular and of special interest to myself is the Territorial Building. Any plans in the mix for that? Is there still consideration being given to a Premier's library there or what are the other sort of plans for that property?

Mr. Murray: — As you know, the Premier's library, there had been consideration of locating that as a possible use for the Territorial Building. Territorial Building is one of my favourites as well. It's the second-oldest building in Regina, built in 1890. We continue to strive to find a possible use, a tenant for that building, and we continue doing that in that regard.

Mr. McCall: — Okay. Thank you for that. In terms of the overall commercial market in a place like downtown Regina or downtown Saskatoon, any sort of concerns on the horizon in terms of the property management function of Central Services around the number of vacancies or the vacancy rate that's there for certain types of space? Anything on the SWOT [strengths, weaknesses, opportunities, and threats] analysis horizon for the ministry in that regard?

Mr. Murray: — Current to January 5th, 2015, class A vacancy rate in the Regina downtown real estate office market is about 4.8 per cent, so that's up from what was really an unhealthy number at 1.2 per cent a couple of years back. It's resulted in a slight decrease in lease rates, particularly in what they call the class B market, and has probably increased the competitiveness in the marketplace.

I'm going to say, you know, a minimal impact on us as government. We've got, you know, a pretty good selection of space in the downtown marketplace. We have a small amount of vacant space. It's always good to have a little bit of vacant space in the portfolio that could be used for a swing space or unexpected eventualities. I think the amount of vacant space we've got right now is probably healthy as well. And so as leases come up for renewal, we're seeing a little bit more competitiveness from the landlords, private sector landlords in the marketplace in terms of their lease renewal rates.

Mr. McCall: — Thanks for that. That being said, any big leases up for renewal and any concerns or notes of caution that the deputy minister or minister or officials can share with the committee and any sort of contingencies that Central Services is undertaking as a result?

Hon. Ms. Campeau: — Thank you for the question. So the ministry owns and leases buildings throughout the province, and we own or lease these facilities on behalf of executive government ministries who provide programming and services to Saskatchewan residents and communities around the province. These buildings can range from government office buildings to highway equipment storage buildings to courthouses.

So currently we have 458 owned buildings and we hold 233 leases for buildings. The lease commitments are broken down like this: so we have 36 leases, which make up 29 per cent, are either actual month-to-month contracts or on overhold. A lease is considered on overhold when its term has expired and the tenant remains in occupancy and continues to pay the contracted rent. In effect we've become month-to-month tenants until a new lease contract can be put into place or removed. Thirty-nine leases will expire in 2014 . . . they did expire in the 2014-15 fiscal year. Thirty-eight leases will expire in the 2015-16 fiscal year. Nine leases will expire in the 2016-17 fiscal year. Twenty-four leases will expire in the 2017-18 fiscal year, and 17 leases will expire in the 2018-19 fiscal year. So the balance, 10 leases, will expire after 2018-19.

Mr. McCall: — Any sort of dollar figure that the minister could attach to the number of leases that have been provided?

Hon. Ms. Campeau: — Roughly \$54 million for leasing costs.

Mr. McCall: — Roughly \$54 million for the year under question.

Hon. Ms. Campeau: — Yes, that's the annual leasing costs.

Mr. McCall: — Okay. Thank you for that. Again sort of zipping around here, in terms of executive air — and the deputy minister had referenced a need to hire a pilot as one of the priority hirings under consideration for the ministry — can the minister or officials give us an update on executive air and the pattern of activity for executive air?

Mr. Murray: — In terms of, sorry, pattern of activity in terms of executive air usage, is that what you're thinking of?

Mr. McCall: — Yes, usage. For example, there was a travel freeze that was recommended earlier in the year. Did that see a corresponding dip in utilization and the attendant expenditure? What's the sort of general and then what's the particular sort of observations to be made around utilization over the last year?

Mr. Murray: — I just want to note that the pilot position that I had mentioned was an air ambulance pilot, not an exec air, just so that there's no confusion.

Mr. McCall: — Okay.

Mr. Murray: — So as you know, the Lieutenant Governor, the

Premier, the Speaker, cabinet ministers, and senior government officials are authorized to use exec air for official government business. It also transports members of the Legislative Assembly back and forth to their constituencies when the legislature's in session.

Executive air usage, we do not yet have the final numbers for . . . Oh I guess we do. We do. We do have the final numbers. This just in: final numbers. So the numbers for 2014-15, 657 legs, 192,000 kilometres of executive air travel. That's down fairly substantially from 2013-14 and down a fair amount from 2012-2013. So legs, I'll give you the legs, '12-13, '13-14, and '14-15, so number of legs: 759 in '12-13, 849 in '13-14, and 657 legs in '14-15. Total kilometres travelled: roughly 209,000 kilometres in '12-13; 247,000, '13-14; and 192,000 kilometres in '14-15.

[16:45]

Mr. McCall: — I thank the deputy minister for those, that information. Moving on to the question of air ambulance, in terms of the pilot, if you could contextualize it for what that means for the overall complement. How are the activities of air ambulance going through the year, and are there any sort of capital challenges additional to the HR challenge the deputy minister had previously identified in terms of the valuable work of air ambulance?

Hon. Ms. Campeau: — Saskatchewan air ambulance is one of the oldest air ambulance programs in North America. Flights are done aboard pressurized Canadian ministry of transport approved air ambulance planes. The service uses three King Air B200 aircraft that are equipped for critical care transport, and the service operates 24 hours per day, 365 days per year. Doctors or their designates across the service on behalf of their patients by contacting the Link Centre, and that group decides whether a response by air ambulance, STARS [Shock Trauma Air Rescue Society], or ground ambulance is most appropriate. The service flew over 3,000 legs last year, transporting patients to the health care they require.

Mr. Murray: — Maybe I'll jump in and add for the second part of your question in terms of acquiring a pilot: yes, we are short a pilot at the moment. That's creating a few overtime pressures, but we're fairly confident that we're going to be able to rectify that situation quite shortly. It poses no risk whatsoever to the operation of the service though. They're doing still the same great job that they've done for many, many years there.

Mr. McCall: — In terms of, and I realize this is maybe, you know, it was certainly Highways officials that were taking the lead on commentary in the media, but the whole question of an airstrip at Southend in Peter Ballantyne Cree Nation and the back and forth that has gone on with the federal, provincial, and the First Nation level of government — and certainly it's a community where air ambulance is sort of the difference between life and death, and there are other similar experiences throughout the North — what involvement does Central Services have in those kind of questions, if any?

Hon. Ms. Campeau: — None whatsoever. The Ministry of Highways is responsible for the construction, maintenance of runways and airstrips.

Mr. McCall: — So there's no sort of consultancy or no sort of requests for opinion? With air ambulance, it's more air ambulance goes where it's able and that's about it for air ambulance?

Hon. Ms. Campeau: — The Saskatchewan air ambulance is administered by the Ministry of Health with air services provided by the Ministry of Central Services and medical staff provided by the Saskatchewan health region.

Mr. Murray: — Not in any formal way. I know that our air ambulance executive and our executive are well familiar with the state of the runways around the province. I know they all participate on joint committees, so certainly there's an awareness there. But ultimately it is Ministry of Highways's responsibility to seek funding and approvals to conduct those builds, new or repairs.

Mr. McCall: — I thank the minister and officials for that answer. I guess just one last . . . Sorry, we're jumping around here. I want to make sure I've got all my questions in while I've got the chance. In terms of the fleet with air ambulance, executive air, everything is up to date? Is that a correct characterization, or is there some fleet renewal that's anticipated for either of those two actors?

Mr. Murray: — We've got an annual capital budget and of course federal regulations regarding regular inspections, maintenance inspections and maintenance work done. I know the fleet has had avionics upgrades, which is very important these days for aircraft, and GPS [global positioning system] upgrades done. I'm going to suggest that the fleet's in fine shape at the moment.

And you know, the pilots would always like to see us buy another plane or something, but we're quite satisfied with the three medivac-configured King aircraft in Saskatoon and the three exec air aircraft located here. We have the ability to cross-pollinate, so if one air ambulance goes down we've got the ability to bring one of the exec aircraft into service as an air ambulance on a short-term basis to ensure that we've always got the three on the go. And so yes, I'm going to characterize the current fleet as being nicely up to snuff, yes.

Mr. McCall: — And certainly it's that time of year where cross-pollination's got a great chance of success.

Mr. Murray: — It's very important.

Mr. McCall: — In terms of — now really whipping along here — central vehicle agency, what's the state of affairs with the fleet there? Are there any sort of impending renewal requirements roaring down the track?

Mr. Lusk: — Greg Lusk. The fleet, you know, we do run the fleet quite long. It's got a 300,000, 14-year life cycle, but we maintain them to a very high standard. The fleet is on average about seven years old. We're continually renewing vehicles, and we inspect them twice a year for safety inspection, and so what we're finding is they're performing pretty well.

Now we are always and will continue to look for opportunities to either work smarter or find ways to maintain your fleet

better. For example you may be aware we entered with Alberta and BC [British Columbia] a joint buying program a couple of years ago which has worked out very, very well. And so we're continually consulting with both other jurisdictions and the industry to find either smarter, better ways to do our business.

So when we talk about lean, for example, we found ways of greatly streamlining our processes. Going back oh three or four years, we used to have three to four months of backlogged invoices to pay, you know, so vendors are waiting months and months and months. I'm happy to say, because of a lot of our new process improvements, right now we have zero invoices waiting. Now they go into the process to get paid. But our vendors are getting paid quickly and accurately. It's a combination of the new processes and our computer system. So we're very pleased with how it's going.

Mr. McCall: — In terms of the overall questions of fleet renewal, is there a given sort of percentage on an annual basis that needs to be renewed, a number of vehicles purchased, or is that more on a case-to-case basis?

Mr. Lusk: — The renewal process is really a function of whatever mix you have to have. For example, if we're having to replace a lot of trucks because they're getting worn out, because of use in the North, let's say, we'll replace fewer vehicles, you know, because you extend your money that way. So we're satisfied that on average we're getting a pretty good mix and, you know, while people would always like to have newer vehicles, the vehicles have performed pretty well. And we've had acknowledgement by industry and by organizations like the North American fleet association that we are in fact a good, effective fleet, but we are continually looking for new and better ways of doing it.

Mr. McCall: — Thanks for the answer. The minister, in the opening remarks, had referenced the different part of the fleet in terms of computer replacement throughout the holdings of Central Services. I'll not trouble you for the split between the number of Blackberries and iPhones and Androids supported by the ministry. But what is anticipated in terms of that upgrade of material on the part of the ministry?

Mr. Murray: — Just for clarification, were you referring to the Windows 7 rollout? Is that the . . .

Mr. McCall: — I believe so, yes.

Mr. Murray: — Okay. Thank you.

Mr. McCall: — Just as a further clarification, is there a renewal requirement around actual hardware, let alone software or operating systems? What's that looking like government-wide, and what's the total expenditure looking like and number of units and on?

[17:00]

Ms. Schmidt: — My name is Bonnie Schmidt. I'm the acting CIO for ITD. Over the last year we've rolled out 11,000 workstations in government with the Windows 7 operating system, and that brings us to the end of the '14-15 fiscal year. It represents 80 per cent of the workstations that exist in

government. There are still a number of workstations that remain on Windows XP, and they require some additional work for those upgrades. A lot of those are around some of the applications. The ministry is working with Microsoft on some support options for those workstations that do have to stay on Windows XP right now. The remaining government machines will be completed in 2015. The transition to Windows 7 and the preparedness measures are estimated at about \$9.059 million in '14-15.

Mr. McCall: — Thank you very much for that answer. And I'm sorry that I won't have time to press you further on things like cyberattack and how the overall security of the government IT platform is holding up. But thanks for that.

We've reached the agreed-upon hour of conclusion for the consideration of Central Services estimates. I thank the minister and officials for joining us here today for consideration of these resources. And with that, I would thank the Chair and thank committee members for their indulgence of my questions here today. But over to you, Mr. Chair.

The Chair: — Thank you, Mr. McCall. Madam Minister, do you have any closing remarks?

Hon. Ms. Campeau: — I would just like to say thank you to the member opposite as well as the committee members and as well as the staff that's here for this afternoon. Thank you.

The Chair: — Well thank you. This meeting now stands adjourned. Thank you.

[The committee adjourned at 17:02.]