



# **STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES**

**Hansard Verbatim Report**

**No. 36 — April 2, 2019**



**Legislative Assembly of Saskatchewan**

**Twenty-Eighth Legislature**

## **STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES**

Mr. Herb Cox, Chair  
The Battlefords

Ms. Cathy Sproule, Deputy Chair  
Saskatoon Nutana

Mr. Steven Bonk  
Moosomin

Mr. Glen Hart  
Last Mountain-Touchwood

Ms. Nancy Heppner  
Martensville-Warman

Mr. Everett Hindley  
Swift Current

Ms. Lisa Lambert  
Saskatoon Churchill-Wildwood

[The committee met at 19:00.]

**The Chair:** — Good evening, everyone. It's now the hour of 7 o'clock so we will begin the committee. I'd like to welcome the committee members. We have with us tonight Steven Bonk, Glen Hart, Nancy Heppner, Everett Hindley, Lisa Lambert, and substituting for Ms. Sproule is Warren McCall tonight.

Before we begin, I would like to table the following documents: CCA 66-28, Crown Investments Corporation of Saskatchewan: Report of public losses, October 1st, 2018 to December 31st, 2018; CCA 67-28, SaskEnergy Incorporated: Significant transaction report dated March 14th, 2018. And I would like to advise the committee that pursuant to rule 145(3), chapters 25, 45, and 49 of the Provincial Auditor of Saskatchewan 2018 report, volume 2 were committed to the committee.

I would also like to advise that pursuant to rule 148(1), the following estimates were committed to the Standing Committee on Crown and Central Agencies on March 28th, 2019. And please bear with me here. Vote 195, advances to revolving funds; vote 13, Central Services; vote 175, debt redemption; vote 18, Finance; vote 12, Finance — debt servicing; vote 177, interest on gross debt — Crown enterprise share; vote 151, Municipal Financing Corporation; vote 33, Public Service Commission; vote 139, Saskatchewan Gaming Corporation; vote 154, Saskatchewan Opportunities Corporation; vote 152, Saskatchewan Power Corporation; vote 153, Saskatchewan Telecommunications Holding Corporation; vote 140, Saskatchewan Water Corporation; vote 150, SaskEnergy Incorporated; and vote 176, sinking fund payments — government share.

This evening we're going to be considering the estimates of the Public Service Commission and the Ministry of Central Services.

**General Revenue Fund  
Public Service Commission  
Vote 33**

**Subvote (PS01)**

**The Chair:** — So we will now begin our consideration of the estimates for the Public Service Commission, vote 33, central management and services, subvote (PS01). Minister Cheveldayoff, would you please introduce your officials and make any opening remarks that you may have?

**Hon. Mr. Cheveldayoff:** — Thank you very much, Mr. Chair. Good evening, committee members and Mr. Critic, good to see you. I'll take this opportunity to make some brief opening comments. I'm pleased to be here to provide additional information on the estimates for the Public Service Commission.

Before I start I'd like to take a minute to introduce my officials. Here with me today I have Greg Tuer, assistant Chair; Ray Deck, assistant Chair; Scott Kistner, executive director of the human resource service centre; Glenda Francis, executive director, corporate services; and also Michael Kindrachuk, chief of staff; and Zeyad Aboudheir, ministerial assistant.

The Public Service Commission, or PSC, is a central agency for

government, providing human resource services for executive government as well as some agencies, boards, and commissions. We help ministries ensure that they have the right human resources in place to help government deliver on its objectives.

Currently there are more than 11,000 employees who work for the government of Saskatchewan. These employees work in various roles all over the province. As a central agency of government, the Public Service Commission provides strategic support for labour relations, organizational development, employee recruitment and development, compensation and classification, and health and safety.

It also supports foundational services including payroll. The Public Service Commission has HR [human resources] business-partner teams embedded within ministries to serve their HR needs. This recognizes the unique business that each ministry is in and ensures their human resource professionals are fully integrated in their business, helping them to make the best people-decisions.

Each year the PSC does consultation sessions with ministries, and the feedback we got this year was extremely positive. Our employees provide strategic support and outstanding service and are respected as valuable resources to ministry clients.

In the past year, the PSC has made significant progress on many of our strategic initiatives. The PSC is driven by a commitment to our client ministries and is innovative in coming up with new ways to support government.

Business improvements are a priority for the PSC, and when the PSC is innovative it benefits all of government. One of the biggest improvements in the past year was in the job classification process. The classification transformation project, which launched in July, included a new online portal to develop position descriptions and a library of pre-classified common job descriptions. These have drastically reduced the time it takes to classify a position by 50 per cent and eliminated the backlog in classification, which at one time was as long as 18 months. This has allowed us to eliminate two full-time equivalents, two FTEs. This work has also dramatically reduced the time and effort for ministries when classifying positions.

Last summer the PSC also launched a new online portal through the PSC Client to allow employees to self-declare in a diversity category at any time. This initiative is helping us more accurately reflect our diversity numbers and allow diversity employees to self-identify for training and development opportunities.

Another important initiative that the PSC rolled out last fall is respect-in-the-workplace training. Building healthy and safe workplaces is a priority, and the training will help to ensure that employees have the tools and information they need to make their workplace even better. This training is mandatory for all employees by the end of June, and more than half of the employees have already completed the training.

PSC is investing in the health and wellness of employees as a part of its inclusion and healthy workplace strategy. The PSC is also in the process of transitioning its employee and family assistance program counselling services to a third party vendor. This change

will improve service to employees by providing online counselling, interactive resources, and self-help tools with 24-7 service availability. In addition to benefiting employees, the service transition will allow the PSC to focus more on proactive psychological health and safety programming to better support ministries. It is also anticipated to provide cost savings.

The PSC has also done work in the past year on standardizing business processes, leveraging technology to do orientation, and implementing accommodation case management support to help all of government be more efficient. These accomplishments show that we are on the right track.

The PSC's strategic initiative plan for 2019-20 is consistent with previous years' plans. The five areas of strategic priority remain the same. They are: effective leadership; high-performing organization; inclusive workforce; health, safety, and wellness; and an engaged, high-performing Public Service Commission. We believe we have captured the strategic HR priorities of government in these areas.

Our first area of focus, effective leadership, is about ensuring the Government of Saskatchewan has the leadership required to deliver on its commitments. This includes acquiring leadership capacity through proactive and targeted leadership and recruitment. It also includes building leadership capability by improving development programs for leaders, enhancing government performance management system, and strengthening leadership succession across government. To ensure we can deliver on government priorities, we need to ensure we provide a strong work environment and attract, develop, and retain high performers.

The second area of focus is high-performing organization. It includes building and acquiring employee capacity through proactive and targeted recruitment, developing a competency-based career progression system, and implementing the multi-year learning and development strategy for government.

PSC is currently doing preliminary work on reviewing our compensation approaches and policies which will serve to enable government to recruit and retain the necessary talent.

We are working to make improvements to our technology. Technology not only improves processes, but it also allows for better information that is more accurate and available quicker, which allows for better decision making.

We will continue to build on our corporate culture, guided by our commitment to excellence. The goal is to have engaged and productive employees who are valued and appreciated.

The third strategic goal is building an inclusive workforce. We know that having a diverse workforce and inclusive workplaces makes us a better public service. It allows us to understand and meet the needs of our citizens. The PSC will continue the implementation of their inclusion strategy by supporting ministries in their inclusion action planning, enhancing inclusion recruitment, and continuing service-wide Aboriginal culture awareness training.

The fourth area of focus is health, safety, and wellness. In order

to have productive employees, you must have healthy employees, both physically and mentally. The PSC will work to create a culture of health, safety, and wellness by implementing the corporate health and safety plan, promoting mental health awareness through the continued implementation of the national standard for psychological health and safety in the workplace, and improving the Be at Work program that supports medical accommodation and return-to-work programming.

One of the initiatives of the corporate health and safety plan is moving the incident reporting and investigation form 101 into the PSC Client. This will take a paper-based form and move it online, improving access and creating efficiencies for managers and employees. It will also make the safety incident data easier to analyze, which will inform ministry safety planning and help them to mitigate risks and reduce incident and injury rates. The move to an electronic form 101 is one more small way investments in technology can have big benefits.

As we continue to focus on safety, we continue to see decreases in our employee injury rates and reduction in our Workers' Compensation Board costs.

The fifth goal of our plan is internal, and focuses on the PSC being engaged and high performing. We need to ensure we are enhancing our clients' experience with us by enhancing our culture of client service, improving systems and processes throughout continuous improvement, progressing on our own cultural journey, enhancing performance and accountability, and ensuring that the Public Service Commission has the workforce we need to successfully execute on our strategic plan.

The PSC also continues to collectively bargain on behalf of the government. While it has been a long process, we are hopeful we can reach agreements soon. This year we have an aggressive agenda for the PSC, and much discussion went into ensuring that we are on the right path. We met with our clients and they have assured us that we are indeed on track.

In developing this year's budget, we asked ministries what their HR priorities were and how we could best serve them. They told us they need better data to make people-decisions, help with targeted recruitment, and strong business partners to support their HR needs. With that in mind, we developed a budget that allowed us to retain our staff and remain focused on our priorities.

The focus of the PSC for '19-20 is to continue to advance on a strategic plan. We are aligned with government direction and well positioned to help us meet our strategic goals. In order to achieve the goals, the Government of Saskatchewan needs the strategic advice and guidance of the Public Service Commission to ensure we have the right people with the right skills delivering the right programs and services to the citizens of Saskatchewan.

I am proud of the PSC's accomplishments and confident in the work that is planned for the coming year. Our employees are strengthening programs and services to help achieve Saskatchewan's vision to be the best place in Canada to live, work, start a business, get an education, raise a family, and build a life.

Mr. Chair, I thank you for the opportunity to provide these opening remarks and I look forward to any questions that may

come.

**The Chair:** — Thank you, Minister. We just remind officials, if you would please state your name before you answer a question for the first time, if you would please. Are there any questions for the committee? I recognize Mr. McCall.

**Mr. McCall:** — Thank you very much, Mr. Chair. Always good to be recognized by yourself, joining the committee for consideration of these estimates. Mr. Minister, officials, welcome to committee. As well, good to be here with my colleagues. Of course I'll rely on them to shout out any requests that they have for questions — thoughtfully shout out, of course.

But I guess, Mr. Minister, you've got a very important job to do for the people of Saskatchewan with the public service. And as a central agency that looks after the public service needs of executive government, it's an interesting job in an interesting time.

I guess my first question, you touched on it briefly towards the end of your opening remarks. Could you state for the record how many collective bargaining agreements are covered by the employees under consideration here tonight? And how many of them are open?

[19:15]

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. PSC deals directly with two bargaining units: the SGEU [Saskatchewan Government and General Employees' Union] and CUPE [Canadian Union of Public Employees]. So those two are the main bargaining units, the main focus. We also provide support to 11 other smaller units like crop insurance, for example. So a total of 11 and 2.

**Mr. McCall:** — So in those 13 bargaining units, how many FTEs would that represent?

**Hon. Mr. Cheveldayoff:** — All right, thanks for the question. The SGEU and CUPE together and these bargaining units represent about 9,000 FTEs. And an estimate on the 11 smaller support areas is about 4 to 500, and that's an estimate. We don't have the exact numbers for those 11 support areas.

**Mr. McCall:** — Thanks very much for that, Mr. Minister. How much payroll does that represent? And if you could, by bargaining unit.

**Hon. Mr. Cheveldayoff:** — All right. Well thank you for the question. We had to do some ciphering here. We had to get the in-scope, out-of-scope breakdown. But the answer to the member's question is \$588 million.

**Mr. McCall:** — And that is for the year to come? In the estimates, as estimated here?

**Hon. Mr. Cheveldayoff:** — That would be for the year '18-19, this past year.

**Mr. McCall:** — So if the minister could, what is the projected number for the year to come for the similar cohort?

**Hon. Mr. Cheveldayoff:** — We are anticipating that the number would be very similar. There hasn't been a large change in the contingent, but the expected number would be very similar to the 588 million.

**Mr. McCall:** — Okay. The minister touched on the collective bargaining environment. Is there allowance in the budget that will satisfy any potential collective bargaining agreements?

**Hon. Mr. Cheveldayoff:** — Thanks very much. And indeed we do, through the Ministry of Finance, have flexibility built into the budget. Our finances are still very tight, and both the employers and the unions understand that very tight fiscal environment. The parties at the various collective bargaining tables in the public sector continue to bargain in good faith and throughout the process will achieve a fair and equitable agreement for all. That is my belief.

**Mr. McCall:** — Well it's certainly the hope, Mr. Minister. But what the minister has described to the committee is essentially a straight line between the '18-19 expenditure for salary to the year to come. So that would seem to indicate that the opening bid would be counting on a zero in that first year. Is that the presumption that's being made by government?

**Hon. Mr. Cheveldayoff:** — The parties are still at the bargaining table, as I've indicated, with some good work being done, but more work to do. As I indicated earlier, we do have some flexibility built into the budget, so we will let that good work continue and when those agreements are reached, the Ministry of Finance will have the flexibility to absorb them and to move them forward.

**Mr. McCall:** — Okay. But a straight-line equation on, you know, \$588 million would be, you know, 5.8 million for a 1 per cent boost. Can the minister point to where that's located in the expenditures that we're considering with this budget?

**Hon. Mr. Cheveldayoff:** — Thanks again for the question. Finance has indeed provided some additional funds for ministries in anticipation of settlements taking place. What exactly that amount is, I don't want to get into that at the present time because bargaining is still going on. You know, some of those questions may be more appropriately put towards Finance, but I suspect you'll get largely the same answer at this sensitive time.

**Mr. McCall:** — Thanks for that. I guess to ask the question maybe a little different way. Is the minister ready to swear off the need to come back for a supplementary estimate? Or is it the contention of the minister and officials that the resources are there within the existing budget to satisfy any potential collective agreements that might arise in the interim?

**Hon. Mr. Cheveldayoff:** — Thanks again for the question. We believe that the necessary funds have been provided to cover off a fair and equitable agreement.

**Mr. McCall:** — Again just for the record, the minister is willing to make any sort of categorical judgments about whether or not we'll be back for supplementary estimates on this matter.

**Hon. Mr. Cheveldayoff:** — Oh, if there's anything I've learned over my career, it's not to speculate on the future. So never say

never. But this is the best information I have at this time.

**Mr. McCall:** — Well we'll certainly take the minister at his word, and certainly in terms of judging the existing budget be adequate to any potential collective agreements, we'll continue to watch with great interest how that all works out.

In terms of, again just for the record, how many . . . How long has the two main agreements that the minister referenced, how long have they been open? Or how long ago did they lapse?

**Hon. Mr. Cheveldayoff:** — All right. The SGEU contract expired September of 2016 and the CUPE contract expired the September of 2017.

**Mr. McCall:** — So again the minister would recognize that's a significant amount of time and, you know, I guess we've been around this table long enough to have heard encouraging things stated about potential agreements previously.

So again as the minister well knows, in this business the fine words are one thing and the money's how you show what's important in this business. So in terms of . . . Does the minister anticipate a resolution of these two tables in the immediate future within this budget year? What's the projection there?

**Hon. Mr. Cheveldayoff:** — Well it's certainly my hope and anticipation that they do get settled within this year, but I have no guarantees of that. So we've certainly asked our people at the bargaining table to be reasonable and to put forward offers that we consider to be in keeping with the financial circumstances of the government at the time. So they'll continue to do that and I will hope for a resolution.

[19:30]

**Mr. McCall:** — Can the minister describe what's in place for the essential service components of each of these, of the two main tables I guess would be a great place to start.

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. I'm advised that the essential services discussions are nearing completion with SGEU. We have agreements in the process on how to call in individuals during that period. The positions themselves were largely completed, but there is still some work to do. So the SGEU is well advanced and near completion. The CUPE, we haven't reached that point where we had to begin those discussions yet. So, yes.

**Mr. McCall:** — So again in the case of SGEU, certainly, the minister described the fact that that agreement expired in 2016. When did the work commence on securing the essential service agreements in that particular circumstance?

**Hon. Mr. Cheveldayoff:** — Essential services discussions began in June of 2018.

**Mr. McCall:** — How many positions of the SGEU agreement would be covered by the essential service agreement?

**Hon. Mr. Cheveldayoff:** — Thanks very much. I'm advised that 20 per cent of the in-scope roles would be deemed as essential services, and of those, some would only be partial positions that

would be deemed essential.

**Mr. McCall:** — And is that arrived at using the complement of FTEs overall or is it by job class or is it by sector . . . how does that . . . by ministry, by agency; how does that get determined, Mr. Minister?

**Hon. Mr. Cheveldayoff:** — There's no specific definition in *The Saskatchewan Employment Act*, so this is negotiated between the parties. It's guided by the want for public safety, safety to employers, and safety to assets as well.

**Mr. McCall:** — Is there any compulsion in the law in terms of the need to have agreements in place before the process evolves?

**Hon. Mr. Cheveldayoff:** — Yes, certainly no job action can be taken unless we have an agreement on essential services.

**Mr. McCall:** — And pardon me for not asking that as clearly as I might. In terms of arriving at an essential service agreement, is there any compulsion in terms of timelines or bargaining in good faith or is it possible that that is used as something of a what might be construed as a stalling tactic in terms of prolonging the bargaining process? Is there any compulsion to get to an essential service agreement within a timely manner?

**Hon. Mr. Cheveldayoff:** — Thanks very much. I'm advised that the meetings have been quite amicable. The pace has been progressing, meeting dates are set by consensus in a joint manner. If one group, specifically like if SGEU felt that the government was dragging their feet on something, they could take it to a tribunal. But that hasn't happened. That hasn't needed to take place.

**Mr. McCall:** — Thanks for that, Mr. Minister. At this point I'd turn the floor over to my colleague from Saskatoon Centre. There's a number of questions concerning one of your key goals with the Public Service Commission. And I'll leave it to him.

**The Chair:** — I recognize Mr. Forbes.

**Mr. Forbes:** — Thank you very much. And so right off the bat, can you please tell me how many people are employed who are working who have a disability in each of the ministries? You can just read the ministry and the number.

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. We do have the global numbers for the entire government, but we don't have the breakdown by each ministry. But we can undertake to certainly provide you with those numbers.

The number of employees right now . . . On '17-18 it was 241, and as of March the 4th, 2019, 354. So an increase of over 100 FTEs have self-declared and, you know, some of that can be attributed to the new self-declaration process through the PSC Client.

**Mr. Forbes:** — So, Mr. Minister, when would you have that information per ministry to the Chair? And I assume the Chair then will give it to everyone. Can we see it tomorrow morning?

**Hon. Mr. Cheveldayoff:** — All right. It's just a matter of processing the information. I think tomorrow morning might be

a little tight, but how about by end of day Thursday? Does that work for the hon. member?

**Mr. Forbes:** — That would be great because I do understand this information is gathered quarterly from a previous written answer, so this is not collecting new information. I don't . . . You know, quarterly is quite . . . The most recent quarter would be fine.

So you have alluded to a couple of questions that I had that there was a statement a couple years ago that you were going to re-engage with the workforce to have them self-declare. And so through that process 100 people have self-declared. So they were current employees, I'm gathering from the previous answer.

How many notices went out? How did you get that information from the public service? What was the process that you would reach out to do that?

[19:45]

**Hon. Mr. Cheveldayoff:** — Thanks very much. I'll just back up to the previous question regarding the numbers by ministry. I'm told a member put forward a written question as well but included Crowns and central agencies, so that part of the information is a little more difficult. They don't compile it in the same way as the ministries do. So we'll undertake to get you the information from the ministries and the Crowns and central agencies. The information may take a little longer.

A renewed self-declaration process — and I went into it in my opening remarks a little bit — for diversity group members. It was implemented in July of 2018, and it's through the PSC Client. So every government employee has the opportunity to go into their own PSC Client account, and the PSC Client provides more opportunities to self-declare and increased opportunities for targeted training and employment. Until recently the only opportunity employees had to self-declare as a diversity group member was when they applied for a job. So now it's any time, so it provides more opportunities and I think that's, you know, what's helping with the numbers to more accurately reflect those in the public service that do have a disability.

There was an extensive communication effort, I understand, through ministries as well to make sure employees were aware that this was available through PSC Client.

**Mr. Forbes:** — Thank you. And I'm quite fine with more time on the Crowns and the other sectors. That's fine.

I have a question about the new hires. What kind of percentage rate are you seeing with new hires in diversity or equity groups?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. It's another undertaking that we'll have to take to get you those specific numbers on the new hires. You know, what I can say is that each of the five categories have increased: persons experiencing a disability, Aboriginal persons, persons of a visible minority, women in senior management, women in middle and other management as well. Each of those categories has increased and we'll undertake to look at the new hires and to see what those numbers look like and share them with the hon. member.

**Mr. Forbes:** — All right. I appreciate that. And I do also want to

get on the record, I appreciate your response to my letter in January that identified those other diversity groups. And you provided a chart that shows that growth over the years.

But could you — I know I'm giving you quite a long shopping list here, so we could even say if this came sometime next week — but if you could provide the same sort of data around the persons experiencing disability and Aboriginal persons and persons of visible minorities and women in senior management and in middle management, the same numbers or percentages in the different ministries would be greatly appreciated. So if that could be undertaken, that would be great. We do appreciate that and we do appreciate that the number has been increasing.

But I wanted to say, in terms of disabilities, that it is an issue and I know that it's part of your goals. But the province did launch a major disability strategy, I think it was four years ago, and this is a big issue and we want to make sure that whatever we can do that . . . resolve that. So could that be added, those other equity groups?

**Hon. Mr. Cheveldayoff:** — I believe that's no problem. We'll undertake to do that. Although I've been given shopping lists before and not come back with 100 per cent, so you can talk to my family about that.

**Mr. Forbes:** — I'll be looking to the Chair for that.

**Hon. Mr. Cheveldayoff:** — We sent you for milk and eggs; you came back with pizza and pop. What happened in the translation? But you know, it's male fallibility.

**Mr. McCall:** — Thanks very much, Mr. Chair. And again thanks to my colleague for ceding the floor back to me.

While we're on that particular point, so in the case of Aboriginal people the goal is 14 per cent as per the Saskatchewan Human Rights Commission goal and there has been . . . The minister is correct. There has been some progress made, by the information provided to my colleague, but it has been down significantly over the last few years. So it's good to see it inching back up but it's still not on track to reach 14 per cent. It begs another question of course in terms of, you know, if you can track what's happening for middle and senior management as regards women in positions, is it not possible to also provide that same sort of analysis as regards indigenous people within the public service?

**Hon. Mr. Cheveldayoff:** — Thanks very much. The member is correct. The Saskatchewan Human Rights Commission sets some, I would think fair to say, very aggressive targets. And you know, we've tried our best to reach those goals. 10.9 per cent is inching closer to the 14 per cent but we're not quite there yet. You know, the numbers have fluctuated a little bit: '16-17 they were 10.2, '17-18 — 9.9. So you know, an increase of 1 per cent here in the last year. So I think we're headed in the right direction. But I know that the ministry and the Public Service Commission considers it a priority and does everything that they are able to, to ensure that we try to meet those goals.

**Mr. McCall:** — So what does the minister attribute that 1 per cent increase to? Is it borne out in the new hires and there's a greater percentage of folks in the new hires that are of indigenous ancestry? Or is there greater self-declaration as per the discussion

that you'd had with my colleague? What is that attributable to?

**Hon. Mr. Cheveldayoff:** — I think it's a combination of things. A combination of certainly recruitment efforts that are very aggressive and the introduction of the new self-declaration process as well. So I think it would be fair to say it's a combination of both of those things.

**Mr. McCall:** — So in terms of targeted recruitment efforts focusing on indigenous people in Saskatchewan, can the minister give us a bit of a description as to how those efforts have been bolstered over the years? So on the recruitment side and then on the retention side, can the minister or officials describe what's happening with the Aboriginal Government Employees' Network or those kind of groups within the public service?

**Hon. Mr. Cheveldayoff:** — All right. Well we have a few things to touch on here. Mandatory Aboriginal awareness training has taken place for every government employee and I think that helps in the retention of Aboriginal employees certainly. Aboriginal awareness training is facilitated by Aboriginal Consulting Services. 2,160 employees have attended and this doesn't include Corrections and Policing, Social Services, and Health. They have their own process. But certainly a large number of those outside of those ministries have taken the employment.

Also a new unit created called the talent acquisition consultant, where their job is to connect with groups like the Aboriginal Employment Network and have those conversations and target individuals for employment, so aggressively reaching out to Aboriginal groups to try to let them know of the opportunities and try to make those connections as well. And as indicated, there has been some success in that regard.

**Mr. McCall:** — So what . . . I believe as of the 2017-18 report, the percentage of folks that had been through the Aboriginal cultural training was on the order of 20 per cent. So the minister said that it's mandatory and then cited a number. Can he put a percentage to that as of today in terms of folks that have been through Aboriginal cultural training?

**Hon. Mr. Cheveldayoff:** — The plan in place is to have 20 per cent of the employees take the training each year for a period of five years. We have to just check on exactly when the implementation date started because there was an RFP [request for proposal] process and all of that, so . . . But again it is quite aggressive, and we can provide that information.

**Mr. McCall:** — I'd appreciate that very much, Mr. Minister. In terms of the . . . Who is the winning party for the RFP? Is the minister able to state that for the committee?

[20:00]

**Hon. Mr. Cheveldayoff:** — As mentioned earlier, it was Aboriginal Consulting Services that is the third party employed.

**Mr. McCall:** — And what constitutes having completed Aboriginal cultural training?

**Hon. Mr. Cheveldayoff:** — All right. I'm advised that it's an in-person, facilitated session. It's not online, and the requirement is attendance at the session. There's a lot of interaction and group

discussion. The feedback after completion has been very highly rated, so it appears to be working.

**Mr. McCall:** — How long does a session last?

**Hon. Mr. Cheveldayoff:** — Sessions are one full day in duration.

**Mr. McCall:** — Is it offered in the workplace or do folks go to an off-site location? How does that work?

**Hon. Mr. Cheveldayoff:** — Each ministry is responsible for making their own arrangements and most likely contracting with a facility that's economical and close by to make it the most appropriate type of setting for a session like this.

**Mr. McCall:** — One last question: has the minister and senior leadership with the Public Service Commission been through this training?

**Hon. Mr. Cheveldayoff:** — I'm advised by senior staff that they're following the 20 per cent, 20 per cent, 20 per cent over the five years, so they're well on their way to doing that. I have not specifically taken this training. I have taken Aboriginal awareness training in the past in various forms, but I have not taken this specific training.

**Mr. McCall:** — Thanks very much for that, Mr. Minister. And again thank you for the undertakings for further information to be provided. I see by the clock on the wall, it's time to bid you, one and all . . . Thank you very much anyway. I appreciate there is more on the agenda, Mr. Chair, and with that, again I'll just say thanks very much to the minister and officials, colleagues and allow things to proceed.

**The Chair:** — Thank you, Mr. McCall. And the time allotted has now expired, so I would adjourn consideration of the estimates for the Public Service Commission.

I think now, at the request of committee, we'll just take a brief recess if we can, and allow the minister to change officials if he needs to. And everybody, let's say we'll meet back here at 10 past. How is that? Six-minute break.

[The committee recessed for a period of time.]

### General Revenue Fund Central Services Vote 13

#### Subvote (CS01)

**The Chair:** — This now being the hour of 10 past 8, I would like to welcome the committee back. And we are now going to begin our consideration of Central Services, vote 13, central management and services, subvote (CS01).

Minister Cheveldayoff, if you would like to please introduce your officials and make any opening comments you may have.

**Hon. Mr. Cheveldayoff:** — Thank you very much, Mr. Chair. I'm pleased to be here tonight to discuss the Ministry of Central Services' budget for 2019-2020 as well as the key



accomplishments over the past year.

Before I begin, I want to introduce a number of officials who have joined me tonight from the Ministry of Central Services, who are available to provide information to questions pertaining to their specific areas.

These officials are Mike Carr, deputy minister; Nancy Cherney, ADM [assistant deputy minister], property management and Provincial Capital Commission; Bonnie Schmidt, ITD [information technology division] chief information officer; Troy Smith, executive director, commercial services and corporate services; Julianne Jack, executive director, communications; Michelle Paetsch and Jon Bridge, directors in corporate service area. I'd also like to introduce Michael Kindrachuk who is chief of staff.

The Ministry of Central Services provides central coordination in delivery of a diverse group of programs and services to government ministries and agencies. These include property management, information technology, transportation services, project management, records management, telecommunications, and mail distribution. What these diverse business lines all have in common is a focus on efficient, effective, and innovative delivery of programs and services with a goal to also provide excellent customer service. By meeting its goals through continuous improvement, Central Services in turn enables its ministry and agency clients to deliver quality programs and services to the people of Saskatchewan. There have been a number of accomplishments during 2018-19 that demonstrate this focus on efficiency that I will highlight for you now.

The capital project to replace the existing Saskatchewan Hospital North Battleford facility was completed. Commissioning of the building occurred on September 6th, 2018. \$407 million will be invested in the project for construction and maintenance costs to keep the facility in like-new condition for the next 30 years. The new 284-bed provincial psychiatric facility replaces the former 156-bed hospital and two correctional facilities. The new facility includes 188 psychiatric rehabilitation beds and a 96-room secure wing for offenders living with mental health issues.

The new hospital is among the most advanced mental health treatment centres in Canada and is part of the government's commitment to provide mental health services to Saskatchewan people. I understand that members from both sides of the House have had a chance to tour the facility, and I trust all members are impressed as I am when I had the opportunity to take that tour.

Central Services expanded the use of private sector, short-term vehicle rentals across the province in 2018-19. The service is now offered in Regina, Moose Jaw, Swift Current, Saskatoon, Prince Albert, and North Battleford. Clients are satisfied with the service that also provides longer service hours, and it is resulting in significant savings for government, some \$500,000 per year.

Central Services manages accommodation for executive government and agencies through a mix of owned and leased properties in 151 communities across the province. These properties ensure government services are delivered to the people who need them, right in their communities. Central Services also works hard to achieve savings for government related to all of its owned and leased properties. It maintains a close relationship

with each client ministry and regularly reviews how well each of the spaces are addressing program and other needs and if there are opportunities to consolidate or reduce space where it is appropriate to do so. When leased space become vacant, it is quickly turned back to the landlord or backfilled with other needed government programs in that community.

[20:15]

Owned properties that become surplus to government needs are made available for sale through a public, competitive request for proposals process and sold to the highest bidder that meets or exceeds the appraised value for the site. These activities, combined with the negotiation of competitive lease rates, ensures government space costs are actively managed to keep costs as low as possible.

The ministry also saw success in its green building management efforts. It achieved more certifications through the LEED [leadership in energy and environmental design] and BOMA BEST [Building Owners and Managers Association building environmental standards] sustainable building construction and management programs.

The Prince Albert Correctional Centre remand unit was recognized with the silver LEED certification with high marks for water efficiency and energy conservation. Under the BOMA BEST program, which recognizes sustainability, three new certifications were achieved in 2018-19. The Conexus Arts Centre achieved silver certification in March of 2018. Century Plaza, which is co-owned with Harvard Developments and operates as a condominium office complex, achieved gold certification in May 2018, and the historic Moose Jaw Queen's Bench Court House achieved gold certification in January 2019.

The information technology division manages the government's information technology network and digital channels. In 2018-19 the digital team continued its focus to establish a more common approach to online development across government. This includes the implementation of a single online access point for government services on the government website, Saskatchewan.ca. This foundational step paves the way for more simplified processes for citizens and business to access government services online and in the future.

The IT [information technology] division modernized government email over the past year by migrating to the Outlook cloud-based service, achieving \$569,000 in savings. This migration to Outlook online is the first move towards a complete transition to Microsoft Office 365 cloud-based service.

Before I move on to the '19-20 Ministry of Central Services budget and more key initiatives for the ministry for the coming year, I'd like to take a moment to recognize that Central Services also serves as the window into government for the Provincial Capital Commission and the Provincial Archives of Saskatchewan. Funding flows through Central Services and is provided to each entity in the form of a grant. Overall, the PCC [Provincial Capital Commission] has a \$500,000 increase to its budget in 2019-20 to support core operating costs to direct to programs and services with the greatest need for a total \$7.118 million.

The Provincial Capital Commission is continuing its work to enhance the quality of life for citizens by creating community partnerships, promoting visitor experiences, and providing stewardship of the land and assets within Wascana Centre and Government House.

The funding for Archives is unchanged from 2018-19 at \$4.363 million. In the coming year, Central Services will support the relocation of Archives' current five office locations to a new, consolidated location in the CBC [Canadian Broadcasting Corporation] building in Wascana Centre in Regina. It is anticipated to open to the public in August of 2019. \$570,000 in annual savings is expected from reduced lease costs paid by Archives, which can be reinvested by them into other priorities.

I will now turn to the Central Services 2019-20 budget. In its role as a centralized support agency, 340.829 million is budgeted to flow through the ministry. The majority of that funding is recovered as clients pay for services the ministry provides. The ministry's own operating budget is 31.045 million, with key investments that are essential to protect and sustain the ministry's core business.

I'll begin with the central vehicle agency. Earlier I mentioned short-term vehicle rentals provided through the private sector. This is a great solution for short-term vehicle needs but is not an option for vehicles used for specialized purposes on a continuing basis. This current fleet of over 3,000 vehicles includes light- and heavy-duty trucks, buses, ambulances, and other heavy equipment.

The major challenge facing CVA [central vehicle agency] is the age of the fleet. The average age of vehicles is 7.3 years. This year's budget includes ongoing capital funding of 10.3 million to ensure the CVA can meet the needs of an aging fleet and meet the recommended 10-year replacement life cycle for vehicles.

The ministry continues to focus on maintaining stable and predictable annual investments in government building portfolios. A total of 29.228 million is being invested into major projects to maintain buildings annually. The ministry prioritizes projects to ensure that necessary maintenance is undertaken, which extends the life and value of the asset. It also considers the needs of ministry and agency clients and how the facility supports the delivery of their programs and services.

In the coming year, the majority of maintenance investments will focus on heating, ventilation and cooling systems replacement or repair, roof replacement or repair, health and safety or building code requirements, and elevator car refurbishments.

Additionally over \$7 million is targeted for land and building capital to undertake a number of projects such as completion of the multi-year re-life of the Norman Vickar Building in Melfort, upgrades to the irrigation system in Wascana Centre, preparing for the former CBC building for use by the Provincial Archives of Saskatchewan, and preparatory design work for a maintenance depot in Wascana Centre, and parking upgrades for Government House.

Turning to information technology, we all know the demand and expectation for online services from citizens in Saskatchewan is increasing. Information technology division is focused on

helping its clients meet this demand and deliver safe, reliable online services. Due to the sensitive nature of citizen and business information that our government gathers to administer programs and deliver services, we have an important role to protect that information.

An additional investment of 1.21 million in 2019-20 will strengthen areas most vulnerable to security breaches. These are: enhancing information security through an education and awareness campaign targeted to the weakest link — our users; enhancing the security of web-facing applications through various measures such as implementation of a web application firewall; and implementing a cyber incident response plan to detect, stop, isolate, and mitigate any threat that does happen to enter the network.

The ministry is also investing \$320,000 this year and an additional \$280,000 in 2020-21 in digital identification. This investment will further develop the single online access point to all government services on Saskatchewan.ca. A key feature of the secure single online access point is that it must authenticate who the user is and confirm that the user has the right to access the specific service.

The world is already online and Saskatchewan people are benefiting from rapidly changing technology and services anywhere, any time, from any device. People expect this level of service from government as well. In collaboration with ministries and service delivery partners, the information technology division is renewing online business applications across government in the coming year.

The goal is to move to an environment where government applications work together in harmony on a common online platform as much as possible. This review provides a real opportunity to change the way application services are delivered across government, reduce duplication, and simplify the complex IT environment.

Finally, I'd like to highlight a government initiative to change the way we do business by creating a new single-window procurement team to deliver public procurement for executive government. Effective yesterday, April 1st, procurement has been centralized in the Priority Saskatchewan unit of Sask Builds. A number of Central Services employees have joined other Government of Saskatchewan procurement professionals and experts in this single organization focused on excellence and service. This team is now responsible to deliver public procurement for executive government in a way that ensures best value for taxpayers and fair treatment for Saskatchewan suppliers.

As I have noted, some of the ministry's planned work for the 2019-20 fiscal year is already under way. All of these initiatives have a focus on continuous improvement and creating value for its ministry and agency clients and Saskatchewan people.

Mr. Chair, I look forward to seeing the positive impact of these innovative and cost-effective initiatives as the ministry carries out these plans in the coming year. I would now be happy to address any questions you or any committee members may have about the ministry's business and plans as it pertains to the budget.

**The Chair:** — Thank you, Minister. I would just remind officials to please state your name the first time that you speak, if you would, please. I would now entertain any questions from the committee.

**Ms. Sproule:** — I'll start.

**The Chair:** — I recognize Ms. Sproule.

**Ms. Sproule:** — Thank you very much, Mr. Chair. Thank you, Mr. Minister, and welcome to the officials tonight. I have my colleague here who's our diversity champion, on our side anyways, and we want to start off with some questions about disabilities and accessibility for disabled people when it comes to buildings that are owned by the government.

And I guess first thing I want to refer to is your disability strategy. I believe it was introduced in June of 2015 and there was . . . the Saskatchewan disability strategy called *People Before Systems*. I searched, did a word search, on both your annual report from last year and your plan for this year, so '17-18 and then '19-20, and I didn't find the word "disabled" or "disability" at all in either one of those reports. So I'm just wondering, is disability on your radar, and if so, what sort of plans are you making for ensuring that our government buildings are accessible to disabled people?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. I am advised that all buildings meet the accessibility requirement standards as defined by the building codes. So accessibility and ensuring that those with a disability are able to access government buildings is a priority, continues to be a priority. And where the buildings are leased, we require the landlords to provide that accessibility as well in their buildings.

**Ms. Sproule:** — So are you saying then the list of 300-odd government-owned buildings provided through written questions, that every one of them is accessible?

**Hon. Mr. Cheveldayoff:** — Thanks very much again for the question. I'm advised that all buildings in which the public have access meet the disability standards and meet the code. And I'm hoping that there's not an exception out there, but I guess we say in the vast, vast majority. And if there is any type of area where the member has knowledge of something that could be improved, we're most willing to entertain that information. And we ask all our employees to ensure that they provide that information to us as well as they do their regular checkups.

**Ms. Sproule:** — Thank you, Mr. Minister. Of the 660 buildings that you lease or own, how many of them are public access buildings?

**Hon. Mr. Cheveldayoff:** — We'll have to undertake to provide that information to the member at the soonest possible time. We don't have that breakdown.

**Ms. Sproule:** — Thank you for that undertaking. I'll ask you to table it with the Clerk and through the Chair. Thank you. Of the ones that aren't public access, what accommodations are being made for employees that are disabled?

[20:30]

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. And certainly in the government portfolio of buildings, there is a wide array of types of buildings. Some are storage sheds. Some are vehicle maintenance facilities and things like that. So access is . . . We tried to have as wide an access as possible. Highways sheds, for example, it may be done on a one-off basis if there is an employee that needs that access. But again, office buildings, anything where the public is involved, is certainly accessible and other buildings are on an as-needed basis.

**Ms. Sproule:** — Could you undertake to provide us with the number of those non-public-access buildings have accommodations for disabled people? It's important to get those numbers up in the public service, as you know.

In your strategy that was released in 2015, one of the recommendations was that you collaborate with the disability community on the implementation of the strategy. Has Central Services ever reached out to the disability community for collaboration on the implementation of the strategy?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. I'm advised that indeed those collaborations do take place. An example given of a very recent consultation was with the Rick Hansen Foundation. But as a general rule, the building code is followed. The building code, it's my understanding, it's reviewed by the Saskatchewan Human Rights Commission, so that specifically guides the direction of the ministry. But a collaboration with groups like the Rick Hansen Foundation provide that human touch. And that's one example and there's others as well.

**Ms. Sproule:** — Have you done any Rick Hansen Foundation accessibility certifications on any of your buildings? I know you do BOMA, you do LEED. I'm just wondering if you do any accessibility certifications.

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. The Rick Hansen Foundation conversations, you know, certainly dealt with the accessibility of . . . The conversations dealt with the certification as well. We're not there yet as far as undertaking any certifications but that was part of the discussions that most recently took place. So it's under consideration.

**The Chair:** — Mr. Forbes.

**Mr. Forbes:** — Thank you very much and that's encouraging to hear. We met with the folks as well. I think the company is Paceline and very interesting work that they do. And I think that the government could play a real leadership role in terms of being accredited for accessibility. It's a great thing to do that and energy efficiency and that type of thing, but this is a new, emerging area.

So I'm not sure if your ministry would have federal-territorial talks or you would be in conversation with the federal government on different initiatives that they do.

**Hon. Mr. Cheveldayoff:** — Thank you very much for the question. And we do actually have various interactions with the federal government. Central Services along with SaskBuilds is involved with the infrastructure bilateral agreement and provides information for the federal government and receives information

as well when it comes to the infrastructure programs. That's led by SaskBuilds, but Central Services is involved.

We're involved also with various FPTs, federal-provincial-territorial meetings, Public Works standards and programs. Central Services employees are part of that to gain an understanding of best practices across the country and what's happening with the federal government as well.

In far as information technology, as I indicated in my opening remarks, that continues to be a priority and Central Services participates in the federal-provincial-territorial meetings there as well, talking about digitization of information and again best practices across the country. So we find those relationships valuable, and we take advantage of every opportunity we have to be involved.

**Mr. Forbes:** — Yes. The reason I was asking, I was curious to know if you folks have been talking with the federal government around their initiative this term around accessibility. And it's a huge one that they're talking about an accessibility Act, an accessibility ombudsman for federal buildings. And so it's quite a big, big deal for them. And of course if Saskatchewan could play a leadership role in that, is when the people of Saskatchewan don't really differentiate between, you know, a federal program or a provincial program as much. And I think that would be really worthwhile to keep your eye open for that, especially if they have an accessibility legislation.

We are all being lobbied. Some of us may have received this email already from Barrier Free Saskatchewan that's talking about barrier issues and looking forward. Because we know the building code is constantly being updated and looking for input, and they want to have some input into how to make sure there aren't barriers in buildings and in our climate and the grounds and that type of thing.

So that would be my question or comment, that if there were opportunities to be part of those discussions at the federal level and be willing to meet with community groups. These are people who live with disabilities, the Barrier Free Saskatchewan. There's actually several groups out there who represent people with disabilities, but I think one of the biggest issues they have is about accessibility. And so my question to you, Mr. Minister: are you willing to meet with those folks to even get beyond the building codes, because we know the building codes don't talk about LEED in the same way They don't talk about it, but the innovation would be a great thing for Saskatchewan?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question and the suggestion. And I think we all agree that that would be a good discussion to have, whether it's Barrier Free Saskatchewan. I understand also there's the Saskatchewan office of disability issues. They've been in contact with us to share information about accessibility. They are run through the Ministry of Social Services, I believe, and including federal-level statistics and information as well. So yes, the more information we can garner . . . And the member mentions Barrier Free Saskatchewan and we'd be most interested in their wants and needs and information that they can provide for us.

**Mr. Forbes:** — Thanks.

**Ms. Sproule:** — Thank you, Mr. Minister. Thanks to my colleague. I'm going to move into the subvotes now for the next stage of this and looking at property management, subvote (CS02). There's a quote from last year's estimates, Mr. Minister, where you said that you had moved to private sector cleaning services for government facilities. As a result there are 11 companies now providing these services, five are which employee-based companies. How long have these companies been contracted for?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. The private sector engagements that the member talks about as far as cleaning facilities go, cleaning operations began in July of 2017. And they began with contracts of three years with two one-year options available as well. So the first of those three-year contracts would be coming up for renewal on July of 2020, and at that time there could be the exercise of two one-year options as well.

**Ms. Sproule:** — So for a total five years if they choose?

**Hon. Mr. Cheveldayoff:** — I think the choice is up to us whether we want to extend.

**Ms. Sproule:** — The option is up to the government not the lessee or the company. Is it still 11 companies, the same 11 companies?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. Yes indeed, it is the same 11 companies that are in operation as were in operation a year ago.

[20:45]

**Ms. Sproule:** — Thank you. I want to move on now to a statement you made at SARM [Saskatchewan Association of Rural Municipalities] convention last year. The quote was "I'm asking you, if you see a government building in your community that you think can be better run by the private sector, let us know and we're certainly open to doing that." And I think the Premier went on to say that you were alluding to some buildings that you own that have low rental rates and aren't being utilized to the capability they could be.

We did get a list. I think it's around 300 buildings that are owned by the government and very, very, very few of them have a high vacancy rate. So I'm just wondering, what are the buildings you were referring to, and what has happened with the vacancy rates in the last year?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. The vacancy rates for the, you know, office buildings across the government portfolio are actually very, very low at this present time. You know, we talk about office and program delivery in the 2 per cent range, you know, rising to a high of 2.56 per cent in office buildings total across the province. So that as an overall number is quite attractive.

Again as public stewards of these facilities, whenever we're talking with the municipalities or others and people from communities, especially leaders of SARM or SUMA [Saskatchewan Urban Municipalities Association], if they know of a building that has a larger vacancy or they feel that there is a

better use for that facility, we certainly encourage them to contact us in that regard. I'm pleased to say that there hasn't been a lot of that contact necessary.

You know, that's not to say there hasn't been any. There's been some. I know there's one building that we're looking at going to the sales process for but overall, generally, vacancy rates are low and we feel confident that we're ensuring that the public's best interest is being put forward.

**Ms. Sproule:** — Can you share with the committee what that building is?

**Hon. Mr. Cheveldayoff:** — For commercial sensitivity at the present time, I can't share that information right now.

**Ms. Sproule:** — I noticed that some of the . . . There was a discussion last year about the Melville provincial office building. I see the vacancy rate is 64.47 per cent. Is that the current vacancy rate as far as you know? And have you lowered it by getting some tenants, or is it still at that high rate?

**Hon. Mr. Cheveldayoff:** — That particular building is indeed a concern, and despite efforts to reduce that rate, it has not been reduced. So that is one that is receiving consideration.

**Ms. Sproule:** — For sale?

**Hon. Mr. Cheveldayoff:** — Yes.

**Ms. Sproule:** — The Moosomin provincial office building is at a 36 per cent vacancy rate. Is that one of the buildings under consideration?

**Hon. Mr. Cheveldayoff:** — The Moosomin building indeed still has that vacancy rate. It provides an essential service for the tenants that are in it, but it is difficult to fill up. But it's not under specific consideration at this time for sale, but certainly it's one that is the subject of a lot of attention from Central Services.

**Ms. Sproule:** — The Territorial Building on Dewdney Avenue is 99.99 per cent vacancy rate. I think it's empty. But you're not making any plans to sell that; that's a heritage building, right?

**Hon. Mr. Cheveldayoff:** — That particular building is not under consideration for sale, but it has been very recently leased out to an educational operation. So we're very pleased to have a usable tenant in that facility.

**Ms. Sproule:** — SRC [Saskatchewan Research Council] storage annex on 515 Henderson Drive, 60 per cent vacancy rate. Any plans to sell that?

**Hon. Mr. Cheveldayoff:** — In a larger city like Regina, there's constantly a plan to rationalize space that's needed, to consolidate where necessary, to purchase buildings if needed. Very recently the SLGA [Saskatchewan Liquor and Gaming Authority] warehouse was purchased. So there will continue to be a rationalization, combination of tenants going to where they're specifically most suited, and if a building does get freed up then it will be put forward for sale.

**Ms. Sproule:** — What about the Palliser Regional Care Centre

in Swift Current? 100 per cent vacancy. I know it's been replaced with a new care home. So what's happening to that building? . . . [inaudible interjection] . . . Okay. One of our colleagues has informed me that it's been destroyed, so I guess it won't be on the list anymore.

**Hon. Mr. Cheveldayoff:** — Well I can tell you that his information is consistent with the information that I just received. Even though he's a new MLA [Member of the Legislative Assembly], he seems to be on top of what's happening in his home constituency and yes, we tried to lease it out and didn't have any takers, so an RFP was taken for demolition and that work is just completed.

**Ms. Sproule:** — Thank you. There's a series of buildings in Yorkton. The acronym is OYR [Orcadia Youth Residence]. There's an auto club and a hobby shop. There's a chapel and a parish hall, which is a 43 per cent vacancy, and there are a number of houses. I found it very interesting that two of the houses are at 100.01 per cent vacancy, so I'm just wondering how that can happen and why the other ones are at zero.

**Hon. Mr. Cheveldayoff:** — I believe the OYR stands for the Orcadia Youth Residence, and this is a complex of buildings, and they fluctuate in their occupancy rates. And they respond to youth at risk in the Yorkton area.

**Ms. Sproule:** — Okay. Interesting. Thank you. I'd like to talk about the sound stage, Saskatchewan Sound Stage. If I have the right building on your list, is that the Sask production? Is that the sound stage in Regina? All right, and currently it's got a 13 per cent vacancy rate. Have you received any expressions of interest, unsolicited or otherwise, in the Saskatchewan Sound Stage?

**Hon. Mr. Cheveldayoff:** — We've received no formal requests to purchase at this time. We continue to lease the space. It provides a swing space for employees that need temporary housing as they move between more permanent space, so that takes place. I believe there's some Highways employees that are there right now, and providing that function.

**Ms. Sproule:** — Highways employees. Are there any other employees for other ministries that are in the swing space?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. As far as swing space employees, I understand that it's just Highways right now. But the vast majority of the occupants are with Creative Saskatchewan and the cultural hub that is created there as well. So that provides the central operation for Creative Saskatchewan, and the cultural entities that occupied it as well provide for some synergies in that regard.

**Ms. Sproule:** — Thank you. You said you had no formal requests to purchase Saskatchewan Sound Stage. Have you received any informal discussions? Have you had discussions with any agencies, you or your officials, Mr. Minister?

**Hon. Mr. Cheveldayoff:** — I understand from officials, no statements of interest of any kind. From time to time, as minister, I do get conversations from people saying, oh what's happening with the sound stage? You know, is there anything available there? You know, I might have an idea or two, or anything like that. So I encourage people to, you know, if they have some

interest to put forward a formal application or to formalize their thoughts and ideas. But I have not received anything in that regard.

**Ms. Sproule:** — So no statements of interest, no formal requests, and some casual conversations about people with ideas. Has there been any other kind of discussions with officials or yourself in terms of potential sale of the sound stage?

**Hon. Mr. Cheveldayoff:** — I've canvassed senior staff and nobody's indicated any type of knowledge of anything in that regard. So to our knowledge, no.

[21:00]

**Ms. Sproule:** — Does Central Services have any plans to market it in '19-20? Sell it?

**Hon. Mr. Cheveldayoff:** — No, we do not.

**Ms. Sproule:** — Thank you. Just moving on here. Buffalo Narrows Correctional Centre, you were going to check in with the community at estimates last year to let us know what the value of the sale was. Have you had a chance to connect with the community and Buffalo Narrows Economic Development Corporation, who purchased it, to share the value of this taxpayer-owned property?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. I'm just reviewing my answer from *Hansard* from a year ago. And I know we did an undertaking to say that we would talk to the community to see if that information could be released. And we know that the sale's been concluded and everything like that, but we don't have the information here whether that okay has been given yet. So I apologize for that. We'll follow up with that and get that information to the member shortly.

**Ms. Sproule:** — Thanks very much. And perhaps you could table that with the Clerk as well so that we will have a record of it being received because sometimes I don't track them very well myself. So thanks for that. And as we change critics, it's hard to track these things. Thank you, Mr. Minister.

There are debt charges in (CS02), the subvote, that are listed in the public accounts. They're not listed in the estimates. But the most recent figures we have for public accounts are 2017-18, and in there there are three debt charges that I would like to get some more information on. The first one is Flying Dust First Nation. It's a numbered company, 625706 SK Ltd. That was \$138,000 in debt charges.

The second one is Harvard Developments Inc. and City Centre Equities, which is a company . . . City Centre Equities is made up of Greystone Real Estate, Ontario Power Generation Inc., MB healthcare pension plan, and CIBC [Canadian Imperial Bank of Commerce] Mellon Trust Fund. And I believe Harvard Developments is owned by a local businessman here in Regina, Mr. Hill. You listed debt charges of over \$1 million to those two companies. And then Marathon Construction, there are debt charges for \$716,000. So I'm just wondering what those debt charges are for and maybe I'll have more questions after that.

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question.

The debt charges are properties that we have long-term leases with and, according to our accounting procedures, a portion of the lease needs to be accounted for, and it's done as a debt charge. So these are accounting entries and long-term leases that we have undertaken.

**Ms. Sproule:** — I notice on your estimates you have a line, classification by type, debt charges, which seems to be quite a bit higher — 9 million in this year and almost 7 million in '18-19. Are those the same types of debt charges? Or is that something very different?

**Hon. Mr. Cheveldayoff:** — These are the same types of charges, but this large charge is for the Saskatchewan Hospital North Battleford coming online. So that's specifically what that number pertains to.

**Ms. Sproule:** — So that's the P3 [public-private partnership] interest on the Sask Hospital then?

**Hon. Mr. Cheveldayoff:** — So it's the portion of the payment that we account for as interest.

**Ms. Sproule:** — In terms of project management, you've never, ever listed the Sask Hospital as one of the projects you're managing. So why would you report the interest or the debt charges for that facility when you've never reported it as a project that you're managing?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. We list in estimates properties that we own and properties that we operate. The Saskatchewan Hospital North Battleford was a design, build, and operate, so it did not show up in our books until we took ownership of it. And what it showed up was, you know, as a capital charge in previous disclosures.

**Ms. Sproule:** — So why the change in accounting? Mr. Minister, I'm totally fine if your officials want to answer directly too.

**Mr. Smith:** — Troy Smith, executive director of commercial services. So with respect to the Saskatchewan Hospital, where we see the payments come through in previous estimates is actually in the ministry's capital appropriation. So you'll notice a very large reduction in capital appropriations from last year to this year and that is because, as the building is built, we need to recognize the asset on our books, and in order to recognize the asset on our books, we are required to have the capital appropriation. And so that's why we see that large change in the capital appropriation. The building is now online and no longer requires capital appropriation to recognize the asset. The debt charges that you see relate to the payments that we make to Access Prairies Partnership for the building over the next number of years, and that again is an accounting piece so that we can appropriately be transparent in recognizing the portion of the payment that is considered to be interest.

**Ms. Sproule:** — That's helpful. Thank you. I see some very large major capital asset acquisitions in previous years so I'm assuming . . . Now with something like the Swift Current care home, is that showing up as a major capital asset acquisition and now debt charges on that for Central Services? What about the P3 schools or the bypass?

**Hon. Mr. Cheveldayoff:** — Thanks for the question. Those will show up in Health and Education respectively.

**Ms. Sproule:** — The hospital doesn't show up in Health?

[21:15]

**Hon. Mr. Cheveldayoff:** — So the Saskatchewan Hospital North Battleford is a joint-use facility and has operations with Health and Justice, and for that reason because it's joint, Central Services is involved, and it shows up in Central Services accounting.

**Ms. Sproule:** — Thank you. These debt charges that are in the estimates, are they included in the budget document which shows how much interest is being paid by the government? I don't have the Estimates or the budget. I think it's around page 60 but I couldn't find it.

Specifically it's on page 51 of the budget.

**Mr. Smith:** — So I would have to do a little bit of math and reconciling here, but there's a further breakdown of the general debt charges that's listed on page 51 in schedule . . . on page 18 of the Estimates book. And that Estimates book is a more detailed listing of the debt charges.

And so it lists Central Services' debt charges as 9.1 million, along with the debt charges for a few other ministries, and then at the bottom totals up those total debt charges for government. So page 18 I think provides a little bit more detail than what's on page 51 in the book that was referenced earlier.

**Ms. Sproule:** — Thank you for that. So the debt charges that are broken out in public accounts are for your leases, and is that amount included? Because in '17-18 it was almost \$2 million. Is that included in that 9.194, all your leasing debt charges?

**Mr. Smith:** — So yes, all the leasing debt charges are included in that 9.194 million. And so when public accounts comes out for the '19-20 fiscal year, you'll see the number closely reflect that 9.1 million.

**Ms. Sproule:** — So yes, I'm just looking at some of the other figures for other ministries, but that's for another day.

For these three debt charges that are listed in public accounts, there's only three leases where you have to actually calculate this, that are over \$50,000?

**Hon. Mr. Cheveldayoff:** — These three specific examples are capital leases. To be included in this category, it has to be a capital lease. And typically criteria is the length of time. Normally, over ten years would be the threshold.

**Ms. Sproule:** — So you're saying there's only three leases that you have that are long term and therefore deemed to be capital lease that require debt charges of \$50,000 or more?

**Hon. Mr. Cheveldayoff:** — Yes, three that meet the criteria for a capital lease.

**Ms. Sproule:** — Thank you. And this change came about a few

years ago, you said. So what caused the change? Why are you reporting them as debt charges now when before it was reported differently?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. This procedure is directed by the comptroller's office and its best-practice accounting standards. And the end goal is to increase transparency. So to best follow the directions of the comptroller and Finance, that's the reason why they're depicted in this way.

**Ms. Sproule:** — I think that's very good advice and a good choice to make, to follow the comptroller. The question was, why did the change get made? Was this something the comptroller directed Central Services to do? Is it a new kind of accounting process, or what happened to cause these to be reflected in this way? I assume you always follow the comptroller's advice, so something must have happened.

**Hon. Mr. Cheveldayoff:** — Yes, the member's correct. And we did not initiate this change, it was at the comptroller's direction. You know, we don't have the specific wording, verbiage of the direction, but generally it was at the comptroller's direction.

**Ms. Sproule:** — Okay, thank you. I just want to go back to page 18 of the schedule of appropriation by type. And if you'll notice, the debt servicing under Finance is 494.7 million. That's what's reported on page 51 as debt charges, but none of the debt charges for Central Services or Education, Health, Highways of \$36 million are not reported as part of the debt charges on page 51. And I'm just wondering why that would be eliminated or omitted from the debt charges, because they are obviously debt charges. So why wouldn't they be included in debt charges in the budget document?

I know there's a footnote there about government enterprise specific debt, which I believe is the Crown debt charges. They used to include them. They don't include those anymore, but there's \$36 million that isn't accounted for on page 51 and Central Services is 9.194 million of that.

**Mr. Smith:** — So I think we'd likely need to check with Finance in terms of the rationale for why they report the various debt charges the way they do. I can say that certainly from the debt charges that are listed for Central Services, those are not debt charges paid to a financial institution, but it's essentially an accounting construct to recognize a portion of the payment to, in this case, largely Access Prairies Partnership for the Saskatchewan Hospital to recognize a portion of that payment as debt.

**Ms. Sproule:** — Which is what the comptroller asked you to do because he sees it as a debt charge. But I think you're right. This is a question we need to raise at Finance and find out why it's not reflected.

In terms of public accounts, there's a company, a numbered company, 101049086 Saskatchewan Ltd, and there's a payment of \$1.2 million to that company. And I know the *Leader-Post* commented on this company December 4th, 2018, acknowledging that for two years now the ministry has paid at least \$1 million to that numbered company. The *Leader-Post* went on to say:

While the money was paid to lease property from the numbered company last year, it's "standard practice not to identify the exact property location" to avoid affecting future lease renewal discussions, [according to] the government.

I did a ISC [Information Services Corporation of Saskatchewan] search on that company and it came up as a location on Broad Street, I believe where the Public Service Commission is located. So why is this . . . I mean, you can do a corporate search to find out who the company is owned by, so it's not really . . . It is public information. So I guess the first question is, why are you saying that that's a secret? This is public dollars that are being spent and it's publicly available information.

[21:30]

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. I think it's just a matter of practice that we don't discuss lease rates in public. It's to protect our position in the market. We're a very large player in the downtown market as far as leaseholdings. And so for that interest, we as a practice don't discuss those lease rates publicly.

**Ms. Sproule:** — But, Mr. Minister, you can pull up a real estate report, like from Avison Young, and anyone can determine what the market rates are for a building of this class in Regina. So do you think that not releasing this information is actually in the best interests of the taxpayer?

**Hon. Mr. Cheveldayoff:** — Well there is some commercial sensitivity to it. So I think in the operations of, you know, Central Services ensuring that we get the best possible rates for our buildings as a reflection of the owners, the people of Saskatchewan, yes, I think if there is commercial sensitivity, there are cases warranted to keep it confidential.

**Ms. Sproule:** — Despite the fact with two searches, I determined who the owner was and where the location of building was.

**Hon. Mr. Cheveldayoff:** — People have their own ways of making those determinations and . . .

**Ms. Sproule:** — It's publicly available information, though, is what I'm saying.

**Hon. Mr. Cheveldayoff:** — Yes, point well taken.

**Ms. Sproule:** — When did you enter into the lease agreement with that numbered company, 101049086?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. We don't have the specific information with us. But we can certainly get back to the member with the dates of when the lease was entered into and the renewals that took place.

**Ms. Sproule:** — Okay, thank you. I guess we'll reflect that as an undertaking. You'll table that with the Clerk? Thank you.

I just want to talk a little bit about the drop in FTEs this year. I think we're looking at 28 FTEs that are being cut. And I think you indicated in your opening comments that these are now starting at SaskBuilds. Does that account for all the FTE

differences that you're projecting?

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question, and the net amount of FTEs is 28. Twenty-nine actually went out to SaskBuilds and one's come back from Parks, Culture and Sport to us.

**Ms. Sproule:** — All right. And the salaries for those jobs, would they have been located in transportation and other services? I noticed there was a drop of 3.3 million under procurement.

**Hon. Mr. Cheveldayoff:** — Yes, that's correct.

**Ms. Sproule:** — So that's the entire 29 folks that were moved over to SaskBuilds were in your transportation procurement?

**Hon. Mr. Cheveldayoff:** — The vast majority of them were in the transportation and other services. One or two were in the property and management category.

**Ms. Sproule:** — So does Central Services do any procurement at all now? In what areas would you do procurement?

**Hon. Mr. Cheveldayoff:** — All procurement is now centralized in SaskBuilds.

**Ms. Sproule:** — Okay. I want to get to that in your plan for this upcoming year, but I have some other questions that I want to get to first.

Provincial Capital Commission, in terms of the CNIB [Canadian National Institute for the Blind], Brandt development, how much space do you anticipate will be occupied by the MS Society [Multiple Sclerosis Society]?

**Hon. Mr. Cheveldayoff:** — That is information that we do not have. The member could ask the Canadian National Institute for the Blind and they may be able to share that information. I'm not sure.

**Ms. Sproule:** — So then you wouldn't be able to tell us what other charitable organizations have expressed interest in occupying the building?

**Hon. Mr. Cheveldayoff:** — No, we're not involved with that at all.

**Ms. Sproule:** — Ryan Whippler, who was the acting executive director of the PCC, told the CBC that the Brandt proposal required a public consultation because it went against the master plan which was approved in March 2016. Is the Provincial Capital Commission considering any amendments to the master plan?

**Hon. Mr. Cheveldayoff:** — Thanks for the question. No amendments are contemplated at the present time, recognizing that there will have to be some amendments in the future. Now the master plan was renewed in 2016 and it's automatically done every seven years, so 2023 would be the next opportunity. So the board hasn't undertaken a discussion or decision on that regard, but it's something that they will have to contemplate.

**Ms. Sproule:** — Thank you for that. Documents that have been



obtained show that Brandt and CNIB submitted a fully developed scheme for a four-storey commercial building to the Wascana Centre Authority in October of 2014, months before the tender process began, and the Wascana Centre Authority began reviewing it at that time. When was the first meeting between the Wascana Centre Authority and Brandt about the proposed project?

**Hon. Mr. Cheveldayoff:** — All right. So exploratory discussions on the project first began in 2012. And later that year, the Wascana Centre Authority board approved in principle that the Canadian National Institute for the Blind could stay in Wascana Centre and could construct a new building on that site, subject to the approval process. An iterative review process followed from 2012 through to early 2019. That has included statements of intent, preliminary concepts, as well as a concept and detailed design, proposals, and reviews. This process has also included public consultations led by the Canadian National Institute for the Blind and consultations led by the Wascana Centre Authority on the master plan.

In 2015 government suggested that the Canadian National Institute for the Blind should seek options for development through a formal RFP process. The national office of the Canadian National Institute for the Blind then chose to lead an independent RFP process and chose Brandt as its partner in the build.

**Ms. Sproule:** — Thank you, Mr. Minister. My question was specifically about meetings between the WCA [Wascana Centre Authority] and Brandt. Were there any meetings between the Wascana Centre Authority and Brandt prior to, well, 2015 when the tender process began?

[21:45]

**Hon. Mr. Cheveldayoff:** — The Canadian National Institute for the Blind was seeking a funding partner for the project, and they did work with Brandt as a potential partner. The 2014 presentation was part of an exploratory discussion and review by the Architectural Advisory Committee and the Wascana Centre Authority. At that time the Wascana Centre Authority provided a heads-up to the government, the landowner, about the potential project to see if there were any concerns with the preliminary concept in principle. So my information shows that on October 1st, 2014, the CNIB-Brandt submitted building proposal to the Wascana Centre Authority, and on November 27th, 2014, the CNIB-Brandt building proposal was presented to the Wascana Centre Authority board. It was resolved that the first step is to seek the landowner's permission.

**Ms. Sproule:** — This was prior to the tender process in 2015 then? I guess the next question is, why were they planning the building before the tender was even issued then?

**Hon. Mr. Cheveldayoff:** — So the CNIB explored various options, including fundraising on their own. And Brandt and CNIB indicated their own discussions contemplating an arrangement and reached out to the Wascana Centre Authority for reaction. So CNIB was undertaking expressions of philanthropy and they weren't having a lot of success, but that's what brought Brandt and the CNIB together.

The government suggested that the Canadian National Institute for the Blind should formally seek a partner through an RFP process and confirmed any building design required to follow a formal approval process. So the Government of Saskatchewan permission was requested. The government directed the CNIB to undertake a formal tendering process.

**Ms. Sproule:** — In terms of the tender, I believe there were six information packages that were sent out. Can you table the information packages and tell us what six companies received those packages?

**Hon. Mr. Cheveldayoff:** — This tender was conducted by the CNIB national office and that information would be privy to them. We do not have that information.

**Ms. Sproule:** — Thank you. I know one of the reasons the PCC was created was to deal with an infrastructure deficit. So what plans does the PCC have for generating revenue for Wascana Park?

**Hon. Mr. Cheveldayoff:** — Well funding commitments by the University of Regina, the city of Regina, the province of Saskatchewan are at record levels. And I could go through the list of the different projects and amenities that have been funded. So the vast majority of the funding commitments are from the three partners. There's no real specific fundraising activities that are considered at this time in the park.

As far as Government House goes, Government House has a foundation that they've created to raise money to enhance the historical artifacts and content of Government House itself. So you know, they've got a foundation in place and are looking to raise additional funds. But as far as the park goes itself, the vast majority of the funding is done by the three partners, and it's at record levels at this present time.

**Ms. Sproule:** — Thank you. On the 2016 lease agreement between CNIB and the Government of Saskatchewan is Central Services aware that schedule C was in conflict with the five pillars of Wascana Park?

[22:00]

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. So you know, we certainly don't see a conflict. We see it as compatible. Schedule C is a list of categories to ensure the lessee understands any tenants must fit into five purposes of the Wascana Centre: the development of the seat of government, the advancement of the cultural arts, the enlargement of educational and research opportunities, the improvement of recreational opportunities, and conservation of the environment.

And as far as the CNIB building goes, certainly there's some improvement in recreational opportunities for the clients, and there's an enlargement of educational and research opportunities as well. So you know, I could go into further detail but certainly we see them as compatible. But the member should know and maintain that *The Provincial Capital Commission Act* and its tenets supersede everything as far as the schedule C goes, so it would be up to the board to ensure that there is compliance.

**Ms. Sproule:** — Thank you. Very little time left, maybe a couple

more questions. On your plan for 2019-20, your strategy, identified on page 3, is to efficiently . . . This is the goal of sustainable public infrastructure. Your strategy is to efficiently plan and manage major infrastructure and capital projects on behalf of client organizations. With the loss of your procurement unit, how will you be able to do that?

**Mr. Carr:** — So with the change to a central procurement service provided by SaskBuilds, the ministry is going to focus and concentrate on project management. And so we will be maintaining the relationship with a successful vendor in any of the projects that we undertake, and we will be ensuring that the vendor delivers on the full expectation and requirements of the project that they've been the successful bidder on. So we'll have continuing opportunities to develop our expertise in project management, and in doing so, we'll ensure that government continues to get best value for dollars spent.

**Ms. Sproule:** — All right, I think I have one question left. I probably have a hundred left, but I'm allowed to ask one more. On page 11 of your plan, I just really can't understand the graph that is at the bottom of the page. And the reason I say that is because of the percentages. They don't match what the estimates are, but I'm not sure if they're intended to match estimates.

You have percentage of total expenditure in, for example, transportation and other services, 14 per cent, but that's down to \$481,000. And last year it was 14 percent, and it was over \$3 million. So I don't understand how the pie is being cut up here, and maybe I'm missing something there.

**Hon. Mr. Cheveldayoff:** — Thanks very much for the question. The graph represents the total funding that Central Services both pays and recovers from clients. It's in the neighbourhood of \$340 million and that's what's represented by the pie chart. So it's very large numbers that are both in and out expenses from . . . or funding from clients.

**Ms. Sproule:** — That is a good explanation. It would be nice to get the numbers and not just the percentages. Maybe that would help people like me understand what it's supposed to be like. So I thank you for that. Unfortunately, Mr. Minister, I am out of time, so I want to thank you and the officials very much for the good discussion tonight. I appreciate it, and maybe next year, we'll see.

**The Chair:** — I'll just adjourn considerations of the estimates of the Ministry of Central Services, and that concludes our business. Minister, do you have any closing comments that you'd like to make?

**Hon. Mr. Cheveldayoff:** — Thank you very much, Mr. Chair. I'd like to provide my compliments to all the officials present. Thank you for the undertaking. I'd like to express compliments to the critic as well for some well-researched questions, well-thought-out questions. And obviously some thought and work went into them so I thank her for that and thank all committee members for their indulgence this evening. Thank you.

**The Chair:** —Ms. Sproule would you have any closing comments? I also would like to thank my committee for coming tonight and Ms. Sproule. And I would also like to thank Stacey

for the great work she does, Hansard, and the people recording tonight for staying. And I think it has been a great evening. Seeing that we have no further business this evening, I would ask a member to move a motion to adjourn. Mr. Bonk has moved. Motion to adjourn, is that agreed?

**Some Hon. Members:** — Agreed.

**The Chair:** — Thank you, everyone. This committee stands adjourned to the call of the Chair.

[The committee adjourned at 22:07.]