

STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES
Thursday, December 1, 2016

MINUTE NO. 12
8:28 a.m. — māmawapiwin náyati room (Room 8)

1. **Present:** Colleen Young in the chair and members Carla Beck, Fred Bradshaw, Terry Dennis, Warren Kaeding, Hugh Nerlien, and Kevin Phillips.

Provincial Auditor's Office

Judy Ferguson, Provincial Auditor
Carolyn O'Quinn, Deputy Provincial Auditor
Regan Sommerfeld, Deputy Provincial Auditor
Charlene Drotar, Principal
Kim Lowe, Principal
Jason Shaw, Principal

Appointed Auditors

Bruce Willis, Partner, KPMG
Patrick Green, Partner, PWC

2. The committee considered the Provincial Auditor's 2013 report volume 2, chapter 39, Crown Investments Corporation of Saskatchewan — Reliable Performance Information; 2014 report volume 1, chapter 12, Saskatchewan Immigrant Investor Fund Inc. — Meeting “HeadStart on a Home” Program Objectives; 2016 report volume 1, chapter 31, Saskatchewan Immigrant Investor Fund Inc. — Operating HeadStart on a Home Program; 2016 report volume 1, chapter 1, Capital Pension Plan; and 2016 report volume 1, chapter 9, Gradworks Inc. — Achieving Intern Development Program Goals.

The Minister of Crown Investments Corporation of Saskatchewan and the following officials appeared before the committee and answered questions:

Witnesses

Hon. Joe Hargrave, Minister
Blair Swystun, President and Chief Executive Officer
Doug Kosloski, Senior Vice-President and General Counsel
Cindy Ogilvie, Vice-President and Chief Financial Officer
Travis Massier, Corporate Controller
Ladette Fuchs, Communications Officer

3. The committee concluded consideration of the Provincial Auditor's 2013 report volume 2, chapter 39, Crown Investments Corporation of Saskatchewan — Reliable Performance Information.
4. The committee concurred with recommendation 1 made at page 104 of the Provincial Auditor's 2014 report volume 1, chapter 12, Saskatchewan Immigrant Investor Fund Inc. — Meeting “HeadStart on a Home” Program Objectives:

We recommend that the Saskatchewan Immigrant Investor Fund Inc. clearly define its performance measures and document its methods for calculating these measures.

The committee noted that the Saskatchewan Immigrant Investor Fund Inc. has complied with the recommendation.

5. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 31, Saskatchewan Immigrant Investor Fund Inc. — Operating HeadStart on a Home Program.
6. The committee concluded consideration of the Provincial Auditor's 2016 report volume 1, chapter 1, Capital Pension Plan.
7. The committee concurred with recommendation 1 made at page 90 of the Provincial Auditor's 2016 report volume 1, chapter 9, Gradworks Inc. — Achieving Intern Development Program Goals:

We recommend that Gradworks Inc. communicate, in writing, to partner employers its expectations related to achievement of diversity targets for the Gradworks Intern Development Program.

The committee noted that Gradworks Inc. is making progress towards complying with the recommendation.

8. The committee concurred with recommendation 2 made at page 94 of the Provincial Auditor's 2016 report volume 1, chapter 9, Gradworks Inc. — Achieving Intern Development Program Goals:

We recommend that Gradworks Inc. verify the educational eligibility criteria of applicants for its Gradworks Intern Development Program prior to the internship start date.

The committee noted that Gradworks Inc. is making progress towards complying with the recommendation.

9. The committee concurred with recommendation 3 made at page 97 of the Provincial Auditor's 2016 report volume 1, chapter 9, Gradworks Inc. — Achieving Intern Development Program Goals:

We recommend that Gradworks Inc., at least annually, publish information on key actual results compared to planned (i.e., targets) for the Gradworks Intern Development Program.

The committee noted that Gradworks Inc. is making progress towards complying with the recommendation.

10. The committee concurred with recommendation 4 made at page 97 of the Provincial Auditor's 2016 report volume 1, chapter 9, Gradworks Inc. — Achieving Intern Development Program Goals:

We recommend that Gradworks Inc., at least annually, provide partner employers with information on key performance measures, targets, and actual results for the Gradworks Intern Development Program.

The committee noted that Gradworks Inc. is making progress towards complying with the recommendation.

11. The committee recessed from 9:17 a.m. until 9:32 a.m.
12. The committee considered the 2008, 2009, 2010, 2011, 2012, 2013, 2014, and 2015-16 Crown Investments Corporation of Saskatchewan annual reports; the 2011, 2012, 2013, 2014, and 2015-16

CIC Asset Management Inc. financial statements; the 2012, 2013, 2014, and 2015-16 First Nations and Métis Fund Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Gradworks Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Saskatchewan Immigrant Investor Fund Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Capital Pension Plan financial statements; the 2012 and 2013 Saskatchewan Development Fund Corporation annual reports; the 2013 Saskatchewan Government Growth Fund III Ltd. financial statements; and the 2008, 2009, 2010, 2011, 2012, 2013, and 2014 Crown Investments Corporation and subsidiary Crown payee disclosure reports.

The Minister of Crown Investments Corporation of Saskatchewan and the following officials appeared before the committee and answered questions:

Witnesses

Hon. Joe Hargrave, Minister
Blair Swystun, President and Chief Executive Officer
Doug Kosloski, Senior Vice-President and General Counsel
Cindy Ogilvie, Vice-President and Chief Financial Officer
Travis Massier, Corporate Controller
Ladette Fuchs, Communications Officer

13. The committee recessed from 10:57 a.m. until 11:07 a.m.
14. The committee resumed consideration of the 2008, 2009, 2010, 2011, 2012, 2013, 2014, and 2015-16 Crown Investments Corporation of Saskatchewan annual reports; the 2011, 2012, 2013, 2014, and 2015-16 CIC Asset Management Inc. financial statements; the 2012, 2013, 2014, and 2015-16 First Nations and Métis Fund Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Gradworks Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Saskatchewan Immigrant Investor Fund Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Capital Pension Plan financial statements; the 2012 and 2013 Saskatchewan Development Fund Corporation annual reports; the 2013 Saskatchewan Government Growth Fund III Ltd. financial statements; and the 2008, 2009, 2010, 2011, 2012, 2013, and 2014 Crown Investments Corporation and subsidiary Crown payee disclosure reports.
15. It was moved by Mr. Bradshaw:

That the committee conclude its consideration of the 2008, 2009, 2010, 2011, 2012, 2013, 2014, and 2015-16 Crown Investments Corporation of Saskatchewan annual reports; the 2011, 2012, 2013, 2014, and 2015-16 CIC Asset Management Inc. financial statements; the 2012, 2013, 2014, and 2015-16 First Nations and Métis Fund Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Gradworks Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Saskatchewan Immigrant Investor Fund Inc. financial statements; the 2012, 2013, 2014, and 2015-16 Capital Pension Plan financial statements; the 2012 and 2013 Saskatchewan Development Fund Corporation annual reports; the 2013 Saskatchewan Government Growth Fund III Ltd. financial statements; and the 2008, 2009, 2010, 2011, 2012, 2013, and 2014 Crown Investments Corporation and subsidiary Crown payee disclosure reports.

The question being put, it was agreed to.

16. The committee recessed from 12:01 p.m. until 1:00 p.m.

17. The committee considered the Provincial Auditor's 2015 report volume 1, chapter 15, Saskatchewan Government Insurance — Monitoring Certified Vehicle Inspection Stations; and 2016 report volume 1, chapter 15, Saskatchewan Government Insurance — Only Qualified Drivers Remain Licensed.

The Minister Responsible for Saskatchewan Government Insurance and the following officials appeared before the committee and answered questions:

Witnesses

Hon. Joe Hargrave, Minister

Andrew Cartmell, President and Chief Executive Officer

Earl Cameron, Executive Vice-President, Auto Fund

Jeff Stepan, Executive Vice-President and Chief Financial Officer

Cari Donaldson, Vice-President, Licensing and Customer Services

Kim Hambleton, Senior Director, Corporate Affairs

18. The committee concurred with recommendation 1 made at page 175 of the Provincial Auditor's 2015 report volume 1, chapter 15, Saskatchewan Government Insurance — Monitoring Certified Vehicle Inspection Stations:

We recommend that Saskatchewan Government Insurance establish clear experience requirements that motorcycle technicians must meet to become certified under the motorcycle inspection program.

The committee noted that Saskatchewan Government Insurance is making progress towards complying with the recommendation.

19. The committee concurred with recommendation 2 made at page 176 of the Provincial Auditor's 2015 report volume 1, chapter 15, Saskatchewan Government Insurance — Monitoring Certified Vehicle Inspection Stations:

We recommend that Saskatchewan Government Insurance assess the risks for its vehicle inspection program.

The committee noted that Saskatchewan Government Insurance is making progress towards complying with the recommendation.

20. The committee concurred with recommendation 3 made at page 177 of the Provincial Auditor's 2015 report volume 1, chapter 15, Saskatchewan Government Insurance — Monitoring Certified Vehicle Inspection Stations:

We recommend that Saskatchewan Government Insurance develop a risk-based monitoring plan for its vehicle inspection program including performance measures.

The committee noted that Saskatchewan Government Insurance is making progress towards complying with the recommendation.

21. The committee concurred with recommendation 4 made at page 179 of the Provincial Auditor's 2015 report volume 1, chapter 15, Saskatchewan Government Insurance — Monitoring Certified Vehicle Inspection Stations:

We recommend that Saskatchewan Government Insurance, consistent with its established processes, clearly document the results of each inspection station audit.

The committee noted that Saskatchewan Government Insurance is making progress towards complying with the recommendation.

22. The committee concurred with recommendation 5 made at page 179 of the Provincial Auditor's 2015 report volume 1, chapter 15, Saskatchewan Government Insurance — Monitoring Certified Vehicle Inspection Stations:

We recommend that Saskatchewan Government Insurance, consistent with its established processes, clearly document that certified Preventative Maintenance Program inspection stations complete vehicle maintenance consistent with the approved preventative maintenance plan.

The committee noted that Saskatchewan Government Insurance is making progress towards complying with the recommendation.

23. The committee concurred with recommendation 6 made at page 181 of the Provincial Auditor's 2015 report volume 1, chapter 15, Saskatchewan Government Insurance — Monitoring Certified Vehicle Inspection Stations:

We recommend that Saskatchewan Government Insurance report to senior management the results of its risk-based monitoring plan activities for its vehicle inspection program.

The committee noted that Saskatchewan Government Insurance is making progress towards complying with the recommendation.

24. The committee concurred with recommendation 1 made at page 188 of the Provincial Auditor's 2016 report volume 1, chapter 15, Saskatchewan Government Insurance — Only Qualified Drivers Remain Licensed:

We recommend that Saskatchewan Government Insurance establish written guidance outlining expected timeframes for entry of driver information into the computer system used to administer driver's licences.

The committee noted that Saskatchewan Government Insurance has complied with the recommendation.

25. The committee concurred with recommendation 2 made at page 189 of the Provincial Auditor's 2016 report volume 1, chapter 15, Saskatchewan Government Insurance — Only Qualified Drivers Remain Licensed:

We recommend that Saskatchewan Government Insurance enter, into its computer system used to administer driver's licences, information on out-of-province traffic offences using similar timeframes as traffic offences that occur in Saskatchewan.

The committee noted that Saskatchewan Government Insurance has complied with the recommendation.

26. The committee concurred with recommendation 3 made at page 192 of the Provincial Auditor's 2016 report volume 1, chapter 15, Saskatchewan Government Insurance — Only Qualified Drivers Remain Licensed:

We recommend that Saskatchewan Government Insurance confirm changes to law that set demerit points and sanctions are in effect before making corresponding changes in the computer system used to administer driver's licences.

The committee noted that Saskatchewan Government Insurance is making progress towards complying with the recommendation.

27. The committee concurred with recommendation 4 made at page 194 of the Provincial Auditor's 2016 report volume 1, chapter 15, Saskatchewan Government Insurance — Only Qualified Drivers Remain Licensed:

We recommend that Saskatchewan Government Insurance give staff written guidance on determining the length of extensions that can be granted to drivers for completion of required actions (sanctions).

The committee noted that Saskatchewan Government Insurance has complied with the recommendation.

28. The committee concurred with recommendation 5 made at page 198 of the Provincial Auditor's 2016 report volume 1, chapter 15, Saskatchewan Government Insurance — Only Qualified Drivers Remain Licensed:

We recommend that Saskatchewan Government Insurance give staff written timeframes for completing manual evaluation of driver information.

The committee noted that Saskatchewan Government Insurance has complied with the recommendation.

29. The committee considered the 2015-16 SGI Canada annual report; the 2015-16 Saskatchewan Auto Fund annual report; the 2015 SGI Canada Insurance Services Ltd. annual report; the 2015 Coachman Insurance Company annual report; and the 2015 SGI Superannuation Plan annual report.

The Minister Responsible for Saskatchewan Government Insurance and the following officials appeared before the committee and answered questions:

Witnesses

Hon. Joe Hargrave, Minister

Andrew Cartmell, President and Chief Executive Officer

Earl Cameron, Executive Vice-President, Auto Fund

Jeff Stepan, Executive Vice-President and Chief Financial Officer

Cari Donaldson, Vice-President, Licensing and Customer Services

30. It was moved by Mr. Phillips:

That the committee conclude its consideration of the 2015-16 SGI Canada annual report; the 2015-16 Saskatchewan Auto Fund annual report; the 2015 SGI Canada Insurance Services Ltd.

annual report; the 2015 Coachman Insurance Company annual report; and the 2015 SGI Superannuation Plan annual report.

The question being put, it was agreed to.

31. The committee recessed from 2:23 p.m. until 2:32 p.m.
32. The committee considered the Provincial Auditor's 2009 report volume 1, chapter 14, Saskatchewan Transportation Company; and the 2015-16 Saskatchewan Transportation Company annual report.

The Minister Responsible for Saskatchewan Transportation Company and the following officials appeared before the committee and answered questions:

Witnesses

Hon. Joe Hargrave, Minister
Shawn Grice, President and Chief Executive Officer
Dean Madsen, Chief Operating Officer
Michelle Maystrowich, Chief Financial Officer
Candace Caswell, Executive Director, Strategic Planning and Communications

33. The committee concluded consideration of the Provincial Auditor's 2009 report volume 1, chapter 14, Saskatchewan Transportation Company.
34. It was moved by Mr. Nerlien:

That the committee conclude its consideration of the 2015-16 Saskatchewan Transportation Company annual report.

The question being put, it was agreed to.

35. The committee considered the Provincial Auditor's 2015 report volume 1, chapter 29, Saskatchewan Opportunities Corporation — Maintaining Facilities.

The Minister Responsible for Saskatchewan Opportunities Corporation and the following officials appeared before the committee and answered questions:

Witnesses

Hon. Joe Hargrave, Minister
Van Isman, President and Chief Executive Officer
Ken Loepky, Vice-President and Chief Operating Officer
Brent Sukenik, Chief Financial Officer

36. The committee concluded consideration of the Provincial Auditor's 2015 report volume 1, chapter 29, Saskatchewan Opportunities Corporation — Maintaining Facilities.
37. The committee considered the 2015-16 Saskatchewan Opportunities Corporation annual report.

The Minister Responsible for Saskatchewan Opportunities Corporation and the following officials appeared before the committee and answered questions:

Witnesses

Hon. Joe Hargrave, Minister
Van Isman, President and Chief Executive Officer
Ken Loeppky, Vice-President and Chief Operating Officer
Brent Sukenik, Chief Financial Officer

38. It was moved by Mr. Kaeding:

That the committee conclude its consideration of the 2015-16 Saskatchewan Opportunities Corporation annual report.

The question being put, it was agreed to.

39. The committee recessed from 3:26 p.m. until 3:31 p.m.

40. The committee considered the Provincial Auditor's 2015 report volume 1, chapter 33, Standing Committee on Crown and Central Agencies; and 2016 report volume 1, chapter 38, Standing Committee on Crown and Central Agencies.

41. The committee concluded consideration of the Provincial Auditor's 2015 report volume 1, chapter 33, Standing Committee on Crown and Central Agencies; and 2016 report volume 1, chapter 38, Standing Committee on Crown and Central Agencies.

The question being put, it was agreed to.

42. It was moved by Mr. Bradshaw:

That this committee do now adjourn.

The question being put, it was agreed to.

43. The committee adjourned at 3:39 p.m. until Tuesday, December 13, 2016 at 8:30 a.m.

Stacey Ursulescu
Committee Clerk

Colleen Young
Chair