STANDING COMMITTEE ON PUBLIC ACCOUNTS

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STANDING COMMITTEE ON PUBLIC ACCOUNTS

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Mr. Herb Cox
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Mr. Warren Michelson
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Ms. Nicole Sarauer
Regina Douglas Park

Mr. Randy Weekes
Biggar-Sask Valley

[The committee met at 09:59.]

The Deputy Chair: — Good morning, everyone, and welcome to Public Accounts. We'll get started here this morning. Ms. Chartier has been delayed. My name is Larry Doke. I'm the Vice-Chair and I'll be sitting in for her until she arrives.

I first of all would like to introduce the members here. We have Ms. Campeau, Mr. Cox, Mr. Michelson, Ms. Sarauer, Mr. Weekes, and we have Mr. Merriman sitting in for Mr. Hart.

Before I start, I guess just Happy New Year to everyone. We've got a full day's work here and that again tomorrow, so we'll get started here. We have the following item to table: PAC 18-28, Ministry of Education: Report of public losses, September 1, 2016 to November 30, 2016. Also I would like to advise the committee that pursuant to rule 142(2), the following reports were committed to the committee: Provincial Auditor of Saskatchewan, *Business and Financial Plan for the Year Ended March 31, 2018*; Provincial Auditor of Saskatchewan, 2016 report volume 2.

Before I move on here, I'd also like to introduce from the provincial comptroller's office, Terry Paton, Provincial Comptroller; and Chris Bayda, executive director, financial services branch. Happy New Year to you folks.

I now will move on. I will introduce the . . .

Ms. Sarauer: — Sorry to interrupt. I think in the matter of before we get started with the agenda for today . . . I believe you're done with your introductions prior to beginning the agenda. There is the matter of the motion that was brought forward at our last meeting on November 28th, 2016, on which debate had been adjourned, but I would like to see brought forward today.

The Deputy Chair: — Okay. In regards to that matter, we were going to deal with that tomorrow when Highways and GTH [Global Transportation Hub] are back on the board, being that it deals with that.

Ms. Sarauer: — I would like to have the motion brought forward today for the interest of not essentially wasting anybody's time. Ideally the individuals that are mentioned in the motion that was tabled on November 28th would be brought to the meeting tomorrow. So ensuring that those individuals would be ready to be at our Public Accounts meeting tomorrow, hopefully this motion could pass today.

The Deputy Chair: — Okay, just a moment. Okay, well I guess I would ask the committee then, do you want this on today's agenda, or do you want to leave it for tomorrow? So I'm looking for . . . Mr. Merriman.

Hon. Mr. Merriman: — Thank you, Mr. Chair. I would suggest that if the motion is relevant to the topic of tomorrow, that we should deal with the motion tomorrow. We have officials here from Central Services as well as some other ministries to be able to deal with today's issues, and for them to sit through a debate on a motion would, I think, be a waste of time, Mr. Chair. So I would move that we discuss the motion

tomorrow. We can move it to the beginning of the agenda if it's the committee's wish and discuss it at that point.

The Deputy Chair: — Okay, thank you. Ms. Sarauer.

Ms. Sarauer: — Yes, I'd like to speak to it before we vote. The purpose of tomorrow's meeting is to obtain some answers to some questions that I understand that both the Premier and the cabinet and the Sask Party want to provide answers to, and a PAC [Public Accounts Committee] or Public Accounts meeting is an appropriate venue for that discussion. I don't think the debate on this particular motion should be or would be relatively long. I think it's quite straightforward and common sense frankly that we have the individuals that are listed in the motion at the Public Accounts Committee meeting tomorrow.

We've already had the opportunity to speak to the CEO [chief executive officer] of the Global Transportation Hub last time we were discussing that particular matter. And it was quite clear that although he answered those questions to the best of his ability, because he wasn't there at the time, there were a lot of questions that he was not able to provide the answer for. Therefore it would be logical and common sense to have the individuals mentioned in this motion available for the Public Accounts Committee meeting tomorrow, which is why I would urge the committee to vote on this motion today and vote in favour of it.

The Deputy Chair: — Okay, we're going to call . . . Mr. Cox.

Mr. Cox: — I can concur with my colleague, Mr. Merriman, that I think we have the agenda set for today, and we have officials here to deal with the matters that were in our agenda today. I think this can be very well left till tomorrow.

The Deputy Chair: — Okay, I'm going to call the question. All those in favour of the motion?

Mr. Weekes: — Mr. Merriman's motion?

The Deputy Chair: — Mr. Merriman's motion, yes. Five. Opposed? One. Thank you.

Central Services

The Deputy Chair: — Okay. Moving on now we'll ask Ms. Ferguson to introduce her officials, and we'll get started with Central Services here today.

Ms. Ferguson: — Thank you very much, Deputy Chair, members, officials. Happy New Year from the office here too. With me this morning is Ms. Tara Clemett. Tara is the deputy provincial auditor responsible for the Ministry of Central Services. Behind her is Ms. Charlene Drotar. Charlene was the principal that was involved in the audit of the web security. And Ms. Kim Lowe, Kim is our committee liaison.

We plan to present the six chapters on the agenda in the order presented, other than we're going to group the first two chapters together into one presentation as they both relate to the annual integrated audit. You'll find that there's no new recommendations in any of the chapters until we hit the very

last chapter on the agenda there. So just, you know, so if the committee wants to keep that in mind.

Before we make the presentations, I do want to take a moment and extend thank you to the deputy minister and his staff for the co-operation that we received during the course of these various audits that are on the agenda. We greatly appreciate that.

So without further ado, I'm just going to launch into the very first presentation. It relates to chapter 2 of our 2016 report volume 1, and chapter 3 of our 2016 report volume 2. Each of those chapters reports the results of our annual integrated audits of the Ministry of Central Services for the years ended March 31st, 2015 and March 31st, 2016.

For 2016 we continue to report just one matter. We report that Central Services did not properly account for assets constructed under shared ownership agreements: that is, schools. Our office previously reported this error in accounting under the Ministry of Education. Central Services received responsibility for these assets from the Ministry of Education after the schools were constructed. Central Services did not subsequently fix the accounting for them. They have indicated to us, as reflected in the updates that's been provided to this committee, they expect the correction to be made in 2016-2017.

We also noted improvement at the ministry. Central Services consistently removed unneeded network and system user access promptly. So that concludes our presentation on those two chapters.

The Deputy Chair: — Thank you, Ms. Ferguson. Mr. Murray, welcome. Would you introduce your officials here today, and would you respond to that.

Mr. Murray: — Yes, thank you, Mr. Deputy Chair. And I have some opening remarks as well, or would we rather focus on the individual audits, individual recommendations? I leave that at your discretion.

The Deputy Chair: — Yes, that would be fine.

Mr. Murray: — All right. So pleased to be here today to discuss our operations and our work to integrate the recommendations of the Provincial Auditor.

I'd like to introduce my officials here today. We've got Rebecca Sengmany, our director of financial services; Rick Baylak, director of financial services; Troy Smith, executive director, commercial services; Kelly Fuessel, executive director of strategic architecture on the information technology division; and Fuad Iddrisu, executive director of IT [information technology] security on our ITD [information technology division] side.

Services offered by our ministry include IT service delivery project management, large-scale construction projects, transportation services, procurement, mail and record services, and a variety of other, smaller functions.

Today we're appearing before the committee regarding six chapters related to varying business functions in the ministry that I'm sure we'll wade in here shortly. Two of the chapters

will be dealing with various aspects of security and the information entrusted to us as a ministry and as a government. And in addition to following up on the recommendations in the 2015 report volume 1 about the security audit, the auditor has made four new recommendations.

Let me begin by saying that nothing we do as a ministry is more important than ensuring the security and privacy of the data that we're entrusted to our care. We always take the auditor's recommendations very seriously and we do whatever possible to implement them. And so, thanks to the hard work of our team, we've made a lot of progress over the last year. Many of the recommendations necessary have now been fully implemented, and we've made significant progress in complying with the others. And so while we don't believe there was any significant risk to government data, the ministry appreciates the auditor's input on identifying any gaps that do exist.

And so I'll jump into the recommendations that were just discussed. So the two recommendations, in the order presented, Central Services follow accounting principles for the assets constructed under shared services agreements. This is partially implemented. This issue is being addressed as part of the 2016-17 provincial budget. The ministry was allocated funding to transfer ownerships of these schools to the school divisions. These transactions will be fully implemented, which will address the concerns raised by the Provincial Auditor.

Now shall I pause before I move on to the next one or . . . yes?

The Deputy Chair: — Well I'm just looking at this. I'm wondering, maybe I should have . . . the auditor has done them all right until there's new recommendations, and then we could have Mr. Murray respond to all of them.

Ms. Ferguson: — We certainly can.

The Deputy Chair: — Yes, okay. I think we'll do it that way.

Mr. Murray: — Perfect. Thank you.

The Deputy Chair: — Thank you.

Ms. Ferguson: — So I'm going to launch into the next one. It's chapter 43 of our 2015 report volume 2, and that starts on page 311. It reports the results of our third follow-up of recommendations originally made in our 2007 audit on Central Services processes to maintain its fleet of approximately 4,000 vehicles in a safe condition and economical manner.

By June of 2015 the ministry had implemented all three outstanding recommendations. It requires semi-annual safety inspections of its fleet vehicles. It maintains repairs and maintenance records of its vehicles and follows up on overdue inspections. In addition management receives monthly reports about vehicle condition and actions taken for late semi-annual inspections.

And then I'm going to turn it over to Ms. Clemett to present the audit on data security.

Ms. Clemett: — Chapter 5 of our 2016 report volume 1, pages

31 to 39, contains the results of our audit of Central Services' processes to secure the data centre. Central Services provides data centre services by hiring an outside service provider which is ISM [Information Systems Management Corporation]. The data centre houses computer network equipment and servers that support IT applications and data of 15 ministries and 10 government agencies. They're listed in section 5.0, which you'll see on page 38 of the chapter. Central Services refers to these ministries and government agencies as their clients.

The chapter noted Central Services improved in three areas. First, Central Services uses more secure methods for accessing IT systems and data; for example, Central Services removed local admin access to computers, except where required to carry out daily operations. Second, client services now gives its clients better reports about the security of their IT applications and data. And third, Central Services approved a new information security policy that establishes the roles and responsibilities of itself and clients.

The chapter identified two areas for improvement that are still needed. First, as noted on page 35, since 2012 we have reported the need for Central Services to adequately configure and update its network and server equipment. While it has made some progress, more work remains in three areas: network configuration, updating network devices, and updating servers.

With respect to network configuration, by December 2015 Central Services had not finished documenting what specific client data resides on which particular server at the data centre. It had not established separate parts of its IT network to differentiate security controls based on data classification, such as how confidential or sensitive data is. Until this work is complete, Central Services and clients may not have effective security controls implemented for protecting applications with sensitive data. For example, we continue to find firewalls at the data centre were not properly configured. For example, Central Services' data centre firewall rules did not sufficiently restrict access to the data centre. Inadequate firewall rules increases the risk of a security breach.

With respect to updating network devices, we found related software for firewalls at client locations and network devices were not updated or no longer receiving support. With respect to updates for servers for vulnerabilities, we found patching on servers were not complete for all known vulnerabilities. All 10 servers that we tested were missing updates. Central Services did not have a documented risk analysis to support why those servers did not have those updates.

Security updates are issued to address known vulnerabilities. Not installing available updates increased the risk of hackers exploiting these vulnerabilities to gain unauthorized access to the government's IT applications and data.

Also Central Services noted at December 2015, over 100 of the 1,000 servers which it manages on behalf of clients is using unsupported versions of operating software. Using unsupported software means security updates are not available for these servers. It increases the risk of security breaches and availability issues.

[10:15]

For the second area of improvement as noted on page 36, since 2006 our offices reported the need for Central Services to have a disaster recovery plan for the data centre and client systems. By December 2015, it continued to not have a complete and tested disaster recovery plan for the data centre.

Its agreement with its data centre provider continued to require a service provider to provide only best efforts recovery services in the event of a disaster at the data centre. As best efforts is not defined, Central Services doesn't know how long it would take the data centre provider to recover client's applications or data in the event of a disaster, or at what cost.

In absence of Central Services having a tested disaster recovery plan, a few of its clients have engaged separate disaster recovery services in the event of a disaster. While it is still helpful, these clients remain dependent on Central Services' service provider to make certain equipment and systems located at the data centre available. As such, having multiple agreements for disaster recovery does not result in an effective cross-government approach to disaster recovery. Lack of effective disaster recovery plans could result in critical IT systems and data not being available to the government and the people of Saskatchewan when needed.

That concludes my presentation. So now we'll move on . . . Do you want me to?

The Deputy Chair: — Go ahead.

Ms. Clemett: — Okay. So now we'll move on to our 2016 volume 2 report, chapter 33, which was a follow-up around the use of consultants. Chapter 33 of our 2016 report volume 2, starting on page 241, reports the results of our follow-up of five recommendations originally made in our 2014 audit regarding the ministry's processes for the use of consultants.

By August 2016, the ministry had implemented three of the five outstanding recommendations and made progress towards implementing one. We found one recommendation was no longer relevant.

The ministry developed a consulting services procurement policy. The policy guides staff on the use of consultants and requires documentation on the basis for their use and rationale when it extends their contracts. In addition, it requires contracts to include a process to evaluate consultants' performance.

We found the ministry followed its new policy, other than the following: none of the contracts we tested included how it planned to evaluate consultant performance. Lack of monitoring and performance requirements in contracts increased the risks of ineffective evaluation of consultants and continued use of consultants with past performance problems.

That concludes my presentation on the follow-up.

The Deputy Chair: — Thank you. Mr. Murray.

Mr. Murray: — All right. There's still one more, is there?

The Deputy Chair: — We'll do these ones and then we'll vote on them. Then we'll do the last one.

Mr. Murray: — Okay. All right, thank you. So established procedures for removing user access, chapter 2, chapter 3. Well the auditor noted this recommendation had been only partially implemented in volume 1, chapter 2. I'm pleased to say volume 2, chapter 3 has now been implemented. We've got procedures in place to ensure that we continue to follow the auditor's recommendation in the future. We continue to promote the use of an employee checklist that's been implemented by the Public Service Commission for employee terminations, separations, and retirements. And so we agree this has been implemented.

The Deputy Chair: — Okay. Questions, please. Ms. Sarauer.

Ms. Sarauer: — Just for clarification, up to what chapter am I asking questions?

The Deputy Chair: — We're going up to 33 and then we're going to come back and do the new recommendations on chapter 6.

Ms. Sarauer: — Okay, sounds good.

The Deputy Chair: — Go ahead.

Ms. Sarauer: — Okay. Thank you for your presentation. I appreciate what you provided us so far. I just have a few follow-up questions, and just so that I keep myself organized I'm going to start from the beginning as per the agenda and work my way through, if that's all right with you.

First of all, the recommendation that was made in chapter 2 with respect to following generally accepted accounting principles. Now I understand this spurred out of an overstatement on March 31st, 2015 of tangible capital assets by 71.9 million. I understand this has something to do with the way schools were allocated. I'm wondering if you can just walk me through a little bit what happened there and why the error occurred and what's being done to rectify it.

Ms. Sengmany: — It started off with the Ministry of Education 2013 report volume 2 for the accounting treatment of the co-ownership agreements. In 2014-15 the Ministry of Education transferred the schools to Central Services, so currently Central Services jointly owns seven schools in partnership with school divisions. As part of this year's budget cycle, we will be transferring it back to the divisions.

Ms. Sarauer: — So is the transfer in ownership, is that an accounting change or is that an actual change, that the ownership of those schools are actually in the hands now of Central Services as opposed to those individual school boards or the Ministry of Education?

Ms. Sengmany: — It's just an accounting treatment.

Ms. Sarauer: — It's an accounting change.

Ms. Sengmany: — Yes.

Ms. Sarauer: — Okay, thank you. I want to move on to chapter 5, the data centre security. I just had a couple of questions about this because I know there was, and I'm not too sure if this is related or not related, but I know there were some issues just last month in December about some ministries having issues with their servers going down. I know there were a few days where ministries weren't able to access their emails. Is there any relation to this?

Mr. Murray: — No. The outage that was experienced last month was intermittent, widespread service issues affecting government email, yes, and internal systems and some public application-based services. Not a security-related issue, but rather . . . I've characterized it as sort of a one-in-a-million software glitch.

So there are a couple of boxes there that government data is stored on. There is a device that transfers responsibility from one box to the other in case of a failure. A failure took place on the one box, and there was a software glitch in the box that was responsible to do the transfer — I'm trying to make this as non-technical as possible — and so such an outage is absolutely an extremely rare occurrence. And in response to this event, experts worked around the clock, brought full service back up, restored all services in order of priority — so we've got a prioritized list of applications in case of a disaster — and minimized impacts. And fortunately no data was lost, and we were able to minimize service disruptions.

Ms. Sarauer: — Thank you. I appreciate the answer and your attempt at using layman's terms for me. That's helpful.

It was mentioned in chapter 5 that there were . . . that the auditor had found firewalls at client locations and network devices were not receiving software updates. Was this software glitch a result of some systems not being able to update their software?

Mr. Murray: — No. It was a glitch related to a previously unknown bug, and so because it was previously unknown, there were no patches or anything available for it. Even IBM [International Business Machines] Global was unaware of this bug. So it was something that became known as a result of the failure, and there were patches that took place shortly thereafter, I think a week later, in order to rectify that bug.

Ms. Sarauer: — Okay. Thank you. It was mentioned by the auditor that the ministry was unable to determine exactly . . . in the event of a disaster, the ministry was unable to determine exactly how much it would cost to recover systems. Now this event that happened in December of course wasn't the level of disaster that I think it could have been, and it was great that it was . . . that the system was able to be recovered after a few days.

But is there any ability . . . Were there any lessons learned by the ministry after this? Were you able to take any of the information from what happened here and help to be able to plan for any potential future system failures, understanding that this is a potential to be one-in-a-million, or a security breach, or a disaster like the auditor had mentioned?

Mr. Murray: — Yes, absolutely. There's always got to be lessons learned from an outage, particularly a significant outage like this. So we have now completed our technical post-mortem in terms of what exactly went wrong and on which boxes and why. We are also now developing the sort of business side of

the post-mortem. So what could be different next time? What should be done next time? What could we learn? What improvements could be made in terms of bringing the system back up?

So we're pretty pleased with the response from our technical team and our data centre provider in terms of such a critical and massive failure, being able to get back up and running in, I'll say, a day and a half. But yes, there will be lessons learned absolutely that we'll implement going forward.

Ms. Sarauer: — Great, thank you. I also noted that it had been mentioned that there were some updates missing on servers. As you have said, the recommendation with respect to the security threats are partially implemented at this time. Does the ministry feel like they have enough resources to work towards full implementation?

Mr. Murray: — Yes, I've got a few notes on this that I'd like to jump into, in particular related to chapter 5. And so partially implemented for sure, and there has been a significant amount of work done on this since, I think the date was November 2015. This is a recommendation that we take very seriously. Few things are more important to us as a ministry and as a government as protecting the information that's entrusted to us. Given the ever-changing nature of technology and increasing cyberthreats, it's also a responsibility and a job that will essentially never end. It's a constant battle.

And so our data service provider is annually audited by a third party and is certified to Canadian standards on assurance engagement. We have implemented a patch management process for all technology platforms. We've replaced our core firewalls recently. We've upgraded our older core firewalls in our data centre. These improvements have resulted in increased capacity and improved threat monitoring and alerting. We've also carried out a formal review of the network security agreement, and we've revised the technical specifications necessary for security equipment.

We have revised and implemented patches and reporting procedures for network security infrastructure, and the provider now reports to us monthly on the status of upgrading patches on the hardware. And we have established a regular schedule to review firewall rules, firewall policies, and firewall change management processes.

We created and approved a plan to upgrade our Internet firewall technology, our remote firewall technology, and our data centre core switch equipment. That work is sort of fundamental to all of this. That will be completed by the end of March 2017.

We've worked with our data centre provider and executive ministry customers to upgrade and decommission the 103 legacy servers, so there are servers in there that are very old, very out of date and they just, they can't be patched. They can't be upgraded. And Tara referred to those hundred servers. So we are working diligently on just eliminating those servers and removing them from the data centre. That work will continue and should be, again, completed by the end of March.

We've got a new network security zoning model which improves the security of the way users access. Implementation

is sort of rolling on that. It will continue through '17-18. So partially implemented, well on track towards addressing these concerns. It's a big data centre. It's a lot of firewalls, and there are a lot of older technologies in there that provide challenges to us because we can't just shut down a server today and pull it out of the data centre. We've got to build a plan in order to be able to roll software applications that are running on that server onto something newer. But I will say the security team has done a great job there in terms of working toward addressing this recommendation.

[10:30]

Ms. Sarauer: — Great. Thank you for that response, and I appreciate all the hard work you and your ministry have been doing in this area and in updating the servers.

I have one more question, not about this but about chapter 33, with respect to consultants. There was one recommendation that remains partially implemented, and the auditor had mentioned a concern about lack of monitoring and performance requirements. That's the recommendation that I'm looking at right now. I was wondering if you could provide an update on the work you've been doing with respect to this particular recommendation.

Mr. Murray: — Absolutely. And so this is, yes, chapter 33, section 3.3. So we have always taken steps to manage our consultant contracts. That has always been true. Through the competitive process, consultant proposals are evaluated based on how they match the criteria outlined by the ministry in the competition document, and we hire the most qualified consultant at the best price.

All consultants that work for us have a direct manager who oversees the quality of their work on a day-to-day, hour-by-hour basis, and their output, to ensure that they're meeting expectations.

Nonetheless, that this monitoring and evaluation be further formalized through a new consultant performance scorecard, that time frame for the completion of implementation on the consultant performance scorecard is this month. So that's being rolled out right now and will be . . . The forms and communications surrounding that issue have all been developed and approved and will be communicated widely through the ministry. And we've worked with our legal advisors to complete updates to our competition and contract language. So I'm quite comfortable that this last of the five will be fully implemented this fiscal year.

Ms. Sarauer: — Thank you. I appreciate it. I just noticed I missed one question. And I apologize; I am going to move backwards to chapter 43, which was discussing some of the processes regarding fleet vehicles and ensuring that it matched *The Traffic Safety Act.*

I understand that you've implemented the recommendations. I was just curious to know — because the computer system that you implemented was implemented back in April 2012, so it's been in effect for about almost five years now — I'm just curious to know how that's been working, if it's still working well for you, if you anticipate that there's going to be a need for

a new system in the near future.

Mr. Murray: — I'll say that yes, these are recommendations that go back to '08 and, as you note, the system was implemented about five years ago. We implemented procedures to track vehicle inspections in 2013 and an aggressive program of semi-annual vehicle safety inspections, including automated notes that go out to assigned CVA [central vehicle agency] owners that hey, your vehicle's due for an inspection, please. And we sort of hound users to get the vehicles in and make them get done on time. Hosted contact centre mechanics are available.

I will say that that system is working exquisitely well. We're very, very happy with all of the steps related to reliable maintenance and repair records, auto notifications, fraud detection and prevention on fuel ups. And I think it's just working extremely well; very, very happy with it.

Ms. Sarauer: — Awesome. Thank you.

The Deputy Chair: — Are there any other questions? Just one, Mr. Murray, I would ask. How do you keep the fleet current? Do you go by year or do you go by mileage? Or do you do a combination of both? Or what actually happens there?

Mr. Smith: — Troy Smith, the executive director of commercial services. So it's a combination of both. It is age of the vehicle and mileage determines how we renew the fleet. We've made an effort in the past number of years to extend the fleet as long as we can to make most efficient use of capital dollars, but it is a combination of those factors, both mileage and age of the vehicle.

The Deputy Chair: — Okay, thank you. Okay, there's no new recommendations on these first five chapters, so I'm going to put them all together. I don't know if I can do that, but I'm going to do it anyway. So I ask that the committee conclude consideration of the Provincial Auditor's report 2016 volume 1, chapter 2; volume 2, chapter 3; the 2015 report on volume 2, chapter 43; the auditor's report 2016 volume 1, chapter 5; and the 2016 report volume 2, chapter 33. Mr. Weekes.

Mr. Weekes: — I so move.

The Deputy Chair: — Thank you. Agreed?

Some Hon. Members: — Agreed.

The Deputy Chair: — We'll move on now to chapter 6 and Ms. Ferguson.

Ms. Clemett: — So chapter 6 of our 2016 report volume 1, starting on page 43. We report the results of whether Central Services had security requirements that were consistent with best practices for the development and operation of government ministry web applications.

The Ministry of Central Services is responsible for developing, implementing, monitoring, and enforcing IT security policies and standards of the Government of Saskatchewan, including those related to the development and operation of web applications owned by ministries and agencies.

Web applications are computer programs built into websites that help them work. Ministries have at least 50 web applications that provide services to and interact with the public; for example, applying for a student loan or paying fines online.

Weakness in web applications can allow attackers to gain access to data stored or processed by web applications or other applications in the same network. For example, attackers can use web application weaknesses to see credit card or personal information while it is being processed by the web application.

We concluded that Central Services did not have sufficiently comprehensive procedures and guidance to support the development and operation of secure government ministry web applications. We made four recommendations for the committee's consideration. I will describe why we made each recommendation.

In our first recommendation, on page 48, we recommend that Central Services document key information about all ministry web applications that are subject to its security policy. We found Central Services did not have complete information on the nature and extent of web applications that it hosts on behalf of the ministries. While it had begun to develop a list of web applications, at December 2015 the list did not include all ministry web applications that Central Services hosted and that are subject to its security policy, nor all key details about the web applications. Key information about web applications would help ensure Central Services designs procedures and guidelines that address risks to the ministry's hosted web applications.

In our second recommendation, on page 51, we recommend that Central Services develop and maintain comprehensive procedures and guidelines to support the development and operation of secure web applications. We found, although Central Services set out security requirements in its security policy, it did not set out supporting procedures and guidelines in certain key areas related to IT security for web applications. Without comprehensive procedures and guidelines for web applications, Central Services increases the risk of the ministry staff, including its own staff, not fully understanding its security policy and not implementing it properly. If procedures and guidelines were in place, staff would have clear expectations of what they need to do to develop secure web applications and monitoring required to maintain that security over time.

Our third recommendation, on page 53, is that Central Services require routine analysis of web application vulnerabilities to monitor compliance with its security policy. We found Central Services did not complete routine testing of web application vulnerabilities or require the ministries to do so; rather Central Services may carry out or contract for these tests upon request of the ministries. In our testing of 18 websites related to existing ministry web applications, we identified over 1,400 vulnerabilities with risks that varied in criticality from low to high. Twenty-two per cent of the vulnerabilities were classified as medium or high risk. We identified a well-known high-risk weakness affecting 10 of the 18 ministry websites we tested.

Overall most of the websites we did test were not sufficiently secure. Not using routine testing of the security of the ministry

web applications increases the risk that higher risk vulnerabilities are not identified and addressed before security breaches occur. This in turn increases the risk that the ministry web applications can be compromised and sensitive data lost or accessed.

Our fourth recommendation, on page 54, we recommend that Central Services work with ministries to address the identified higher risk web application vulnerabilities. We shared the detailed results of our testing of the web applications with Central Services to enable it to work with the ministries to identify and take corrective actions. Not taking timely corrective action on higher risk vulnerabilities makes it easier for ministry web applications to be breached. That concludes my presentation.

The Deputy Chair: — Thank you. Mr. Murray.

Mr. Murray: — Thank you. So chapter 6, section 5.2, key information about ministry web application documentation, we consider to be partially implemented. Information on all applications currently available to clients is available on request. We are completing our comprehensive centralized application inventory. That work will be done in August of 2017. In particular, required recovery time for application data in the event of an outage and a ranking of the critical nature of the application services provided is being completed, so we consider that partially implemented. Work to be done later this year, as I note.

Chapter 5, section 5.3, we consider this to be implemented. The security web apps is addressed in the robust security policy and framework which was recently updated, last year, to ensure alignment with industry best practices. And to ensure it continues to meet our needs, the policy is reviewed on a yearly basis.

Specific to the security of applications, application security coding guidelines have been developed and communicated to all development and architecture staff, and a process has been established to ensure all application code goes through security testing prior to being implemented. So we consider that, as I note, to be implemented.

Chapter 5, section 5.5, routine analysis of web application vulnerabilities, we consider to be implemented as well. The ministry has completed work to strengthen its vulnerability management program. The application vulnerability assessment service is available to all ministries through our client service catalogue and has already been used to assess both current and new applications within the web environment.

We also proactively mitigate risk by scanning applications for vulnerabilities on a quarterly basis, and we've also created a dashboard to monitor and maintain the list of applications that are undergoing assessments.

Chapter 5, section 5.5, that we work with ministries to address identified higher risk web application vulnerabilities, we consider to be partially implemented. We continue to work with the ministries to address identified higher risk web applications and to ensure that the appropriate measures are taken to address those vulnerabilities. This includes migrating websites and

applications to new platforms, implementing configuration changes that will tighten security as well as the . . . What's sort of tied up into this is the implementation of our new firewall systems, and we have decommissioned some older applications. There were a number of applications that were identified through the audit that weren't even in use anymore, they were so old and out of date. So those have been decommissioned and removed. And so we expect this to be fully implemented by fall of 2017.

The Deputy Chair: — Thank you, Mr. Murray. Questions? Ms. Sarauer.

Ms. Sarauer: — Thank you, and thank you for your response to the report. I just want to make sure that I caught everything. It sounds like you've already taken steps to implement all of the recommendations and feel that they've either been implemented or are partially implemented with a timeline for full implementation. Is there any recommendation that you don't anticipate will be fully implemented by, say, end of 2017?

Mr. Murray: — No. Fully implemented.

Ms. Sarauer: — Thank you.

The Deputy Chair: — Any other questions? Mr. Michelson.

Mr. Michelson: — Yes, thank you. Just with regards to the first recommendation, you indicated that would be implemented, I think you said August?

Mr. Murray: — August, yes.

Mr. Michelson: — August. Is that a reasonable time frame? Can it be done faster or is that . . . I imagine if it could be it would be, but I was just wondering why the eight months.

Mr. Murray: — There's a significant amount of work here and part of it could not be done without the establishment of the new firewall infrastructure. So first the new firewalls go in and then the information gets updated, and along the road older applications that are no longer in use need to be decommissioned. And so there's sort of a plan required, a project plan required around all of this stuff. I appreciate August seems like a long ways away but for the amount of work required there — and we've really prioritized this — I think August is at the very latest but reasonable, I think . . . [inaudible interjection] . . . Yes.

[10:45]

Mr. Michelson: — Okay, thank you.

The Deputy Chair: — Any other questions? Okay, I would ask then at this time that, in regards to 2016 report volume 1, chapter 6, on the four recommendations, if I could have a motion. Mr. Cox.

Mr. Cox: — Thank you, Mr. Chair. Do you want me to group these or do you want each one individual?

The Deputy Chair: — You can group them if they so fit.

Mr. Cox: — Okay. With regard to the 2016 report volume 1, chapter 6, recommendation nos. 1 and 4 on page 48 and 54, we concur with the recommendation and note progress towards compliance.

The Deputy Chair: — Thank you, Mr. Cox. The motion is that we concur with the recommendations and note progress on recommendations no. 1 and no. 4. Is that agreed?

Some Hon. Members: — Agreed.

The Deputy Chair: — Thank you. Mr. Cox.

Mr. Cox: — With regards to the 2016 volume 1 report, chapter 6, recommendations 2 and 3, pages 51 and 53, we concur with the recommendation and note compliance.

The Deputy Chair: — Thank you. Mr. Cox's motion is that recommendation no. 2 and no. 3, we concur with the recommendation and note compliance. Agreed?

Some Hon. Members: — Agreed.

The Deputy Chair: — Thank you. Okay. I thank you, Mr. Murray, for your answers here today and thank your officials for attending. And I would ask now for a motion to adjourn . . . [inaudible interjection] . . . No? We're going to recess. Okay, sorry. We'll recess at this time. Thank you very much for coming.

[The committee recessed for a period of time.]

Water Security Agency

The Deputy Chair: — Okay, the committee's back in session now. We'll now move on to the Water Security Agency. We're going to be dealing with four reports here today: the 2016 report volume 1, chapter 37; 2016 report volume 2, chapter 47; 2016 report volume 2, chapter 48; 2016 report volume 2, chapter 49. I'm going to ask that the auditor do all the chapters and then we'll turn it over to you, Ms. Ross, and then we'll go for questions, if that's okay. Okay. Ms. Ferguson.

Ms. Ferguson: — Thank you, Deputy Chair, members, officials. First off I want to introduce who I have with me this morning. I've got Ms. Regan Sommerfeld. Regan is responsible for the Water Security Agency. And behind her is Ms. Kim Lowe. Kim is our liaison with this committee. As the Deputy Chair just indicated, we plan to do one presentation and present all the chapters together as there is no new recommendations for the committee's consideration.

Before we launch into that presentation, which Ms. Sommerfeld will deliver here, I just want to take a moment to thank the officials for their co-operation that we received during the course of the work that's on the agenda today. We greatly appreciate that. Thank you. Without further ado, I'm going to turn it over to Ms. Sommerfeld.

Ms. Sommerfeld: — Thank you, Judy, and Deputy Chair. Chapter 37 of our 2016 report volume 1 presents the results of our first follow-up of four recommendations made in our 2014 audit of the Water Security Agency's processes to regulate public waste water systems. We are pleased to report that by December of 2015 the agency had implemented all four recommendations. The agency had updated its waste water system design requirements. It had addressed non-compliant waste water system owners. It had periodically reviewed mechanical waste water effluent sampling and reported publicly on waste water systems' non-compliance.

Chapter 47 in our 2016 report volume 2, beginning on page 307, reports the results of our first follow-up of two recommendations made in our 2014 audit of the Water Security Agency's processes to coordinate flood mitigation. By September of 2016 the agency made progress toward addressing each of the two recommendations.

We found since 2014 the agency started to identify and document which communities are prone to flooding and to assess their risks. Its draft listing contained assessed risks of approximately 85 communities. By September 2016 the agency had not yet finalized this listing. Such a record would aid the agency in determining where to plan and prioritize future flood mitigation initiatives with others, for example the Ministry of Government Relations. The agency noted that once it completes its listing, it plans to address the next recommendation, that is to work with others to evaluate gaps in flood mitigation initiatives in municipalities with ongoing flood risks.

Chapter 48 in our 2016 report volume 2, beginning on page 309, reports the results of our fifth follow-up on the two remaining recommendations we initially made in our 2005 audit of dam safety. By August 2016 the agency continued to make progress towards addressing the two recommendations. By August of 2016 the agency had drafted but not yet approved a policy to test its emergency preparedness plans. The agency had emergency preparedness plans for each of its four major dams, and it had developed the final one of the four since our last follow-up in December of 2013.

The agency has determined it requires 32 procedure manuals, of which 21 manuals were updated by December of 2013. Since then, it was working on updating eight manuals and had not started to update the remaining three manuals. It hopes to complete its update by 2017-18. Procedure manuals set out procedures to operate, maintain, and monitor the dams' safety. Up-to-date manuals support safe operation of the dams and they provide staff with clear and readily accessible direction and are a resource in the event of staff turnover.

And finally chapter 49 in our 2016 report volume 2, beginning on page 313, reports the results of our second follow-up on the two remaining recommendations we first made in our 2010 audit of the Water Security Agency's processes to identify risks to the water supply. At August 2016 the agency had implemented the two remaining recommendations. The agency publicly communicated in the *2015 State of the Environment Report* causes of risks to the water supply and the likelihood and impact of those risks. This concludes my presentation.

The Deputy Chair: — Thank you. Ms. Ross, I would turn the floor over to you. And if you could introduce your officials, please.

Ms. Ross: — Thank you. This is John Fahlman, vice-president

of technical services. To my right is Clinton Molde, executive director, integrated water services. Irene Hrynkiw is in the centre, executive director, corporate services; Sam Ferris to her left, executive director, environmental and municipal management services; and Doug Johnson to her right, executive director of special projects.

The Deputy Chair: — Thank you. If you could now respond to all four chapters.

Ms. Ross: — Thank you. I'll just give you a brief overview of the corporation. The Water Security Agency is a treasury board Crown established in 2012. We have approximately 220 full-time staff working out of 15 offices located across the province. We have a broad mandate related to water, including managing infrastructure, owning and operating 49 dams, monitoring and assessing water quality in streams and rivers, managing the regulation of community drinking water and waste water effluent, allocating water use through licences, and contributing to flood and drought response. When we were established in 2012, we released the 25-year water security plan to guide our activities in the delivery of our mandate.

I'll just speak briefly to the recommendations, starting with chapter 47, the identification of the ongoing flood risk areas and the evaluation of flood mitigation initiatives needed. Our agency's been on the front lines of some of the worst flooding situations in the province's history in the last years. In 2011 many areas of the province set records of high water levels. Some of these records date back to the early 1900s.

In 2013 an area from Saskatoon to Prince Albert National Park and west to the Alberta border was particularly hard hit by spring and summer flooding. In 2014 the southeast portion of the province experienced what we now know as the third-worst rainstorm in our history. In places the water levels were as high as in 2012. The persistence of the wet conditions year after year is resulting in flooding issues not seen before in the closed basins. And these are major events, and responding to them takes considerable effort by all of government.

The provincial response to flooding is led and coordinated by the Ministry of Government Relations, which maintains the provincial emergency plan. Water Security Agency provides a range of services in support of the overall provincial response, including flood forecasting on potential lake and stream levels, the administration of the emergency flood damage reduction program, which we refer to as EFDRP, which helps individuals and communities undertake measures to reduce or prevent flood damage where flooding is imminent. Many of these projects remain as permanent protection. By protecting properties and communities through the EFDRP, disaster assistance payments have been averted.

We monitor stream flow and lake levels by means of 300 hydrometric stations throughout Saskatchewan. Through the work undertaken through the EFDRP, we have developed the information on about 100 communities that describes the flood hazard faced and what measures are required to prevent or reduce future flood damages, and we established a full-time position in 2015 to coordinate our overall flood mitigation approach.

[11:00]

We continue to refine the list of communities with ongoing flood risks and expect to have this done by March 2017. We've shared this information with the Ministry of Government Relations, and the agencies have met to consider movement toward greater emphasis on advance protection from flooding rather than an emergency response reliance. And we'll continue to work with Government Relations under the provincial emergency plan and evaluate the gaps in flood mitigation initiatives to better protect these risk areas.

Do you have any questions or shall I just proceed with the . . .

The Deputy Chair: — No, we'll do them all and then ask questions.

Ms. Ross: — Next chapter? Okay. So the chapter on . . . 48 on emergency preparedness plans that are completed but not tested and required manuals. So the Water Security Agency owns and operates 49 dams across the province, the four largest being Rafferty, Alameda, Qu'Appelle, and Gardiner. All of these structures are critical to the province's water supply. Some of them are multi-use and four are considered major structures. Emergency preparedness plans, or EPPs, provide information on flood inundation warnings, notifications in the event of potential or actual dam failure, and are there for external use by others during a dam emergency. We have EPPs for each of the four major dams, forming the basis for upstream and downstream communities to prepare communications and actions.

Assistance to local governments in preparing their emergency response plans began in 2014-15. Updating the EPPs based on new information is a continuous process. A first set of revisions to the EPPs for Rafferty and Alameda dams will be complete in March 2017. We have a directive for testing and updating the EPPs and ongoing training of staff has been developed, and it'll be brought to our executive team in March 2017. We have seven modules currently being prepared to train staff on how to respond to a dam emergency, and we expect to carry out dry runs for the EPPs in 2017.

On the manuals, we need 32 operational manuals for the four major dams. As stated, 21 are complete. Work continues on eight. Three are not yet started. The work is time-consuming and complex. Major work is ongoing on the reservoir operating plans for each of Lake Diefenbaker, Rafferty, and Alameda reservoirs.

To date, stakeholder meetings, assessment of operating scenarios, and evaluation of hydrologic and economic impacts have been completed for Lake Diefenbaker. Inflow and flood hydrology studies have been completed for Rafferty and Alameda, with work on a draft operating plan for Rafferty under way.

Those are my remarks, and we'd be happy to address your questions.

The Deputy Chair: — Thank you very much. Questions from the committee. Ms. Sarauer.

Ms. Sarauer: — Sure. Thank you. And thank you for your responses to the recommendations presented today. I have a few questions and I'm going to try and work in order of the agenda here.

In chapter 47 there is a recommendation that has yet to be implemented about working with others, including municipalities, to evaluate gaps in flood mitigation. And I understand that the ministry is still developing the list of municipalities that are prone to flood risk and plan to have that work completed in the 2016-2017 year. Is that correct?

Ms. Ross: — We're refining a list that we have completed. Is it ever complete? I'm not sure. Maybe I could turn this over to Clinton Molde.

Mr. Molde: — Thank you. Yes, the list originally had 100-and-some communities on there. What we've done is we've continued to refine that list based on past flooding history, costs that have been impacted to the communities and the recovery costs for those communities, and also their acceptance of working with flood management practices. So of that, we've pared down that list to approximately 75 now, and we are working on that criteria to rank those communities. So that is starting to finalize now. So that's where I see that project being.

Ms. Sarauer: — Is there plans that the project . . . I understand that it would be an ever-evolving list, but is there plans that the targets, target locations, would be completed prior to the 2017 flood season?

Mr. Molde: — Certainly that's our goal, yes.

Ms. Sarauer: — Are there any preparations that the ministry's doing this year that's different than it has done for previous years in anticipation of this year's flood season?

Ms. Ross: — Well we have our preparations in advance. We're watching the situation as it unfolds. We have reported on the fall conditions. We're wet going into fall. It is of concern to us. It is similar to 2010, and we know what happened in 2011. We have to follow that through the winter because we don't know what's going to happen in the spring. There's quite a bit to be determined as we head into spring before we know exactly where the issues are going to be. John, maybe you could address that?

Mr. Fahlman: — Yes, I think that you've pretty much captured it. The first step is, what are the antecedent conditions going into a runoff event? And that's the fall conditions reported. It showed as very wet in parts of the province, particularly the Southwest, which is a little bit different, and east central Saskatchewan.

So that sets, the antecedent conditions sort of set the stage for what could happen, and then after that it's how much snow you have. And the majority of the snow that really matters as far as runoff goes . . . Like the white fluffy stuff you see outside now, there's not as much water in it. It's the stuff in February and March that really, really matters.

So back in 2010, we started looking at, okay how do we make

sure that we're providing the forecasting services that are needed? And we started to look at that again the same. And so it's a matter of monitoring and then scaling up your response as needed.

Ms. Sarauer: — Okay. So is there an anticipation? It sounds like there is, but I just want clarification. Understanding that we had a very wet fall, that this might be a higher flood season similar to what we saw in 2011, so is there some anticipatory work that's happening? You mentioned some scaling up that's going to happen probably in February, March?

Mr. Fahlman: — It will depend on the forecast. The situation we're in is the antecedent conditions are only one of the sort of the three components of a flood. The next is how much snow you get, and that we don't have. The antecedent conditions are set up so that if you got a lot of snow, then flooding could become an issue. We don't have that much snow yet that it's a widespread problem. And if it does snow a lot through February and March, then there would be a risk of flooding for sure.

Ms. Ross: — I would add to that, that preparing for flood eventuality is becoming a normal course of business to us, and we are prepared to act. We know where the highest risk areas are. They're in the closed basins. We're very aware of the water levels because of the last several years they've been continuously increasing as a cumulative matter. So we have our flood coordinator engaged and so yes, our usual processes will be put into place as we see the winter unfold.

Ms. Sarauer: — Thank you. You had mentioned that one of the unusually wet . . . or maybe not unusually, but of normally wet areas of the province, you had mentioned the southwest corner of the province. But more concerning actually would be the east central, I think, portion of the province where we're already experiencing some flooding with respect to the Quill lakes, which I believe is in that area. So what sort of anticipatory work is being done in that region of the province in particular?

Mr. Fahlman: — I guess as far as anticipatory work, yes it is wet in there, in the east central side of the province, and the stream flows are running even throughout the winter. So it's susceptible to a large, large runoff event.

As far as anticipatory, other than forecast how high it's going to get and continue to forecast and warn on that, there's not a lot else we can do. It's one of those closed basins that Susan was talking about where it's sort of the result of the last, of entire wet periods since 2010 that it just keeps going, running into there. I believe any sort of room that was gained over the summer through evaporation on Quill lakes going down, a bunch of late October or mid-October rains brought it right back up again to where it was in the spring, to about point seven of a metre from its official still . . . or not official, but technically its still elevation. And with a really big flood it could get up that high this year.

Ms. Ross: — So we would assess the risk at various . . . We've modelled the risk to the Quill lakes and what will happen at various runoff events based on the antecedent conditions, and are preparing, to the extent that you can prepare for such an event, to take what actions we can. There isn't a great deal that can be done quickly, so we're waiting and watching.

Mr. Fahlman: — If I could add to that. Sorry.

Ms. Sarauer: — No, go ahead.

Mr. Fahlman: — I would add to that the major risks are to the highways 6 and 16. And we've been in consultation with Ministry of Highways to let them know the risk to those highways and what frequency of event, and they have some decision points coming up, should there be a lot of snow develop. So through February and March we'll be updating them with our forecast levels based on the amount of snow we're seeing and so they can make any decisions they need to make.

Ms. Ross: — I don't know if John mentioned that our next sort of assessment point is February 1st when our first forecast comes out.

Ms. Sarauer: — Thank you. And the water's already quite close as you know to Highway 6 so I could see that any higher and it would be quite a serious concern for the residents of that area and both your ministry and the Ministry of Highways as well.

You had mentioned that you can only really do so much in terms of anticipatory work. Is any of the limitation a resource issue?

Ms. Ross: — I suppose . . . The work we are doing in the Quills, the path we've chosen to take is to address quite a bit of drainage that is going to the lakes. We've examined many possible alternatives. They're all extremely expensive and don't have that big an impact, which is a real concern. It's a very difficult water management situation. So what we're doing right now on the ground is trying to stop flow into the lakes to increase or exacerbate the situation. Maybe Clinton would like to speak to that for a moment.

Mr. Molde: — Sure, and what I can add is, as far as resources, in October we opened our office in Wadena and we've staffed that up with a number of staff. It's also a place where what we call qualified persons, who are consultants that can work with farmers, also have a place to locate and access resources.

So what we've done is we are meeting . . . We've set two drainage networks where we're looking at prioritizing working with landowners in those networks. We've had one-on-one meetings with those landowners and we've offered assistance in looking at their land to see how we can do consolidation projects on their land to help store that water and eliminate it from going into the Quill lakes. So that's the path we're taking forward and the resources that we have in place now.

Ms. Sarauer: — I understand just from the media that there was recently a meeting with your ministry and I believe residents in the Quill Lake area. Can you report a bit on the outcome of that meeting? And also I'm interested to know what sort of uptake you've received from residents in terms of your work with your staff in Wadena on drainage options.

Ms. Ross: — I would just . . . I would address the first point of the recent meeting with the producers group in the Quills. I think one of our biggest challenges in the Quills is . . . It's less

about resources. We have people on the ground. We have people working there to try to address this issue. We're having challenges in, sort of . . . We have to change hearts and minds in respect to how we manage responsible drainage. The Quills is not an adequate outlet, and it's very threatening to producers in that basin and it's difficult for them. We're trying to give them sufficient options that they can manage their water issues on the land without exacerbating the problem in the Quills.

So there's options available of consolidation, of gating and keeping the water flow out of the Quills until an alternative answer can be found or the water levels go down naturally. We need a few hot years and get some evaporation out there. The lake evaporates quite quickly once you get some heat on it but we've just had these years over and over again.

So I think there's quite a bit of fear and concern, and what we need to do I think is to communicate more clearly and openly with the people in the area. And we're setting about doing that. I don't know if there's anything . . . Clinton, would you like to add?

Mr. Molde: — Certainly. You asked about how we're progressing with the farmers there and, you know, it is a process where there is resistance to begin with. After meeting with them one on one, many of them have allowed us to go on their land, the technical staff to go on their land to look at what options they may have. We're yet to bring back those plans to them, but we're going to soon meet with them, the farmers, and present their plans to them and give them options.

[11:15]

I must also say that there has been a watershed association established there. They're just over a year old and we're working with them to look at different options and to assist them in helping develop potential projects in that area.

Ms. Sarauer: — Thank you. I appreciate those answers. Just quickly you had mentioned also the southwest corner of the province. Is there any pre-mitigation work that needs to be done in that area — I understand that it's a little less of a wet area normally than the east central portion of the province — and if there's any resource concerns with respect to that area or any concerns you're seeing leading up to the 2017 flood season?

Mr. Fahlman: — We mentioned that it's just wet there, and going into fall wetter than it usually is for the Southwest. We don't have the same flooding risks in the Southwest that we do in most other places. It's just not as developed. And so there's no resource issue as far as preparation goes. It's a matter of just keeping the monitoring and the dam operators out in that area, Ag Canada, let them know where things are at, and a few of the communities that have some mitigation works in place, making sure that they're updated on what we're seeing as developing.

Ms. Sarauer: — Thank you. Any resource concerns for any areas of the province for the 2017 flood season?

Ms. Ross: — I mean, you know, the expense of dealing with a flood can be pretty much limitless, so it would be unreasonable for me to say yes, we've got enough resources to do everything. There simply will never be enough resources to do everything.

We're doing the best we can with the resources we have, and we think we can address quite a bit of the concern.

Ms. Sarauer: — Thank you. I'm curious to know if there are plans to have an identified wetland inventory in place in the next year.

Ms. Ross: — We have quite an extensive wetland inventory. Would you speak to the wetland inventory, Clinton?

Mr. Molde: — I can add to it certainly, Susan. You know, one of our basins certainly we're working in is the Quill Lakes basin, and right now we have approximately a third of that basin with the wetland inventory completed. So basically what that does is we've had consultants look at past air photos, and what they've done is designated areas with wetlands, areas that have been partially drained or drained sloughs, and linear features such as ditches. So that's what makes up wetland inventory. So in the Quill Lakes Basin we have about a third of that basin complete. This coming year we plan to complete that basin, so . . .

Ms. Ross: — Yes, Doug Johnson just gave me a bit more detail. We have 8 million acres inventoried now for wetlands and we will do another 2 million acres this year. So of the 35 to 40 million acres of cropped land, we will have 10 million acres. So we're making progress.

Ms. Sarauer: — Thank you. Moving on to one of the recommendations that are in chapter 48 that are currently — it's 3.1 — it's currently partially implemented, there's a discussion in the auditor's report about the draft policy that you're anticipating will be approved by March 31st, 2017. And I noticed that the plan is to complete advanced plan tests every four years for the four dams that are mentioned. Is this often enough?

Ms. Ross: — John is in charge of major infrastructure. He'll address the question.

Mr. Fahlman: — As far as the directive for testing emergency action plans, it's still in draft form and will come to our executive by March 31st. That said, and to address the question, we'll certainly look at the frequency which we do all the activities under the emergency action plans. They're large logistical operations and they involve costs and coordination sometimes across international boundaries, everything. So until we've had a detailed discussion at executive on what we would recommend, I don't think we want to say exactly how frequently we're going to do any action under that yet.

Ms. Sarauer: — No, that's fair. I appreciate that. Have any of these types of testings occurred yet on any of these dams?

Mr. Fahlman: — Yes. When they were rolled out we've done the initial maintenance call testing. So basically what that is, is when you have an emergency protective plan you have your call list of who should be warned. For example, I'll use an example — maybe it's best — for Gardiner dam. There's a whole series of call-outs that go out, one being the city of Saskatoon who are responsible for their response planning. So they test it operationally by calling them out and saying, this is what's coming. They all have copies of the plan. They know under

what situation what would be inundated and wouldn't, and how long it would take to get there. That's all modelled. So the call-outs have gone through the first testing, and the second update and testing for that level is coming out prior to March '17.

Ms. Sarauer: — You had mentioned that this testing costs money, and I understand that it does. Do you have a ballpark estimate of how much it would cost to test any particular dam?

Mr. Fahlman: — I don't have a ballpark figure. I'd have to get that.

Ms. Sarauer: — Okay. If you would provide that to the committee, that would be fantastic, if that's all right.

Mr. Fahlman: — Are you looking for the total costs or the cost to the government or the cost to the respondents? I'm just looking for a little bit of clarity as to what costs you're interested in.

Ms. Sarauer: — I'm looking to the total cost to the government.

Mr. Fahlman: — Okay.

Ms. Sarauer: — Yes, thank you. Moving on to the implemented recommendations in chapter 49, 3.1 talking about communication to the public, I'm just curious to know a little bit more details about how often the communication to the public is planned to occur.

Ms. Ross: — I'm sorry. I don't have reference to that chapter with me.

Sorry. I hadn't looked carefully at this because it was implemented. We continue to supply information and work with the Minister of Environment to complete the state of the watershed report on I believe it's an annual basis, and that outlines the state of risk and condition of water quality and supply for the province in a broad way. People are able . . . I don't know that we proactively produce information on allocation availability in terms of supply, but it is certainly all available on inquiry with the Water Security Agency for any of the water bodies in the province in terms of allocations and through the state of the watershed report in terms of risks to the quality of the water supply.

We monitor water quality throughout the province and work with the PPWB [Prairie Provinces Water Board] monitoring at both borders to water coming into the province and leaving the province, and the PPWB and our membership on the PPWB reports water quality at both borders and risks to the water quality.

Sorry I don't have a better prepared answer for you. I'm giving you general information.

Mr. Fahlman: — I'll just add one more thing we've done in the last year specifically with engaging with the public, and that is we have developed an internal stakeholder engagement policy where we have a . . . It's quite a long list of specific public entities that we make a point to meet with them at least once,

sometimes twice a year to make sure that we're communicating with them and their interests around water management in general.

Ms. Sarauer: — I appreciate that. Thank you.

Ms. Ross: — Okay. Sam has just added some information here. We regularly report, actually on an ongoing basis, on precautionary drinking water advisories or orders, and we are moving that information onto the website. People can get that information from the SaskH₂O website, and we're putting that on our own website in the future.

Ms. Sarauer: — Thank you.

The Deputy Chair: — Any more questions from the committee? I have one just quickly. On testing of water, water quality in water bodies throughout the province, like lakes and whatever, do you do that every month or is it annually? How often are they tested?

Mr. Fahlman: — I think Sam might know this better but I know that there is . . . It depends on location. The PPWB, the Prairie Provinces Water Board transboundary stuff is done, I'd be guessing, but I think it's quarterly or maybe semi-annually.

Mr. Ferris: — Yes.

Mr. Fahlman: — Oh, Sam's here.

Ms. Ross: — Sam is here, in charge of environmental services.

Mr. Ferris: — So we do work with the federal government and Prairie Provinces Water Board on those transboundary stations. We also have 24 primary water quality network stations that are monitored on a quarterly basis, so spring, summer, fall, and winter. These are on our major streams through the province. And we've been doing those for a number of years, so we get a good understanding of what changes are happening in water in the province — so locations like the North Sask, the South Sask, Souris, Assiniboine, those types of things.

From time to time we do special studies on certain water bodies. We just completed last fiscal year the last year of three years of fieldwork on the Qu'Appelle River system to identify sources of loading of nutrients and other contaminants that may enter that system. So those are the variety of things we have. Anybody wishing to obtain our surface water quality information, if they want to call the agency, we'll be pleased to provide that.

There is a plan to put that information on surface water quality on our website. And we already have a variety of information on drinking and waste water quality on the SaskH₂O website for all the communities there. Does that answer your question?

The Deputy Chair: — That answers my question. Thank you very much. Any more questions? Okay then. I'm going to ask somebody to move that the committee conclude consideration of the Provincial Auditor's report 2016 volume 1, chapter 37; Provincial Auditor's report 2016 volume 2, chapter 47; Provincial Auditor's report 2016 report volume 2, chapter 48; and Provincial Auditor's report 2016 report volume 2, chapter

49. If I could have someone . . . Mr. Cox.

Mr. Cox: — So moved.

The Deputy Chair: — Thank you. Agreed?

Some Hon. Members: — Agreed.

The Deputy Chair: — We stand recessed. Thank you very much, Ms. Ross, for you and your officials, for your answers. Thank you.

Ms. Ross: — Thank you.

[The committee recessed for a period of time.]

University of Regina

The Deputy Chair: — Okay, we're going to move on now and welcome the University of Regina here this morning. This is in regards to the 2016 report volume 1, chapter 36. And I'll have Ms. Ferguson do her presentation, and then we'll move to you.

Ms. Ferguson: — Thank you very much, Deputy Chair, members, and officials. With me this morning I've got Mr. Kelly Deis. Kelly is the deputy responsible for the University of Saskatchewan . . . The University of Regina, let me go to the right university here, and the advanced education sector. Behind him is Ms. Kim Lowe; Kim is our committee liaison. And beside Kim is Ms. Nicole Dressler. Nicole is the senior manager in the office who led some of the work that we're discussing this morning here.

There is one chapter on the agenda this morning. It doesn't contain any new recommendations; it's a follow-up of a couple of prior audits. And I'll just turn it over to Mr. Deis to present that. Before I do that, I just want to say thank you for the co-operation extended to us and our office. Thank you.

Mr. Deis: — Chapter 36 of our 2016 report volume 1 begins on page 317. The chapter reports results of our first fall of the University of Regina's progress towards addressing recommendations we initially made in our 2013 audits, one related to its procurement processes, and the other related to its processes for the disposal of surplus assets.

Your committee considered these recommendations on January 14th, 2015. By January of 2016, the university had implemented 9 of the 13 recommendations related to its procurement processes. Key improvements include the board of governors approving the university's procurement policy; implementing processes to review and update its policies every three to five years; implementing policies and procedures to identify and address non-compliance with procurement policies; updating its purchasing card program policy to prohibit the payment by purchasing card for illegal or other professional services; obtaining appropriate approval for the issuance of all purchasing cards; tendering or obtaining quotes for procurement of goods and services where required; documenting in writing the analysis and decisions for the awarding of tendering, and retaining of this documentation; updating its procurement policies for single or sole-source procurement; and considering an entire project when making procurement decisions.

The university was actively working on defining the board of governors' procurement reporting needs; coordinating its departments that procure goods and services; establishing sufficient contract documentation requirements; and developing a comprehensive signing authority policy.

By January of 2016 the university had implemented all five recommendations related to its processes for the disposal of surplus assets, and that was the second audit of the two. The key improvements include updating its disposal policy procedures to clearly define the criteria for identifying assets for disposal and authorizations required; implementing policies to identify and address non-compliance with disposal policies; defining requirements for regular reporting to executive and to the board of governors regarding disposal of assets; properly decommissioning computers before their disposal; and entering into written agreements with the charitable organizations to which it regularly donates assets. And that concludes our overview of the chapter.

The Deputy Chair: — Thank you very much. Mr. Button, first of all, welcome. If you could introduce your officials and make your presentation, thank you.

Mr. Button: — Great, thank you very much, Mr. Chair, and members. It's a pleasure to be here again. And I'd like to thank as well the Provincial Auditor for the assistance throughout this process.

My name's Dave Button. I'm the vice-president, administration. I'm glad to represent President Vianne Timmons here this morning. With me I've got Jim Woytuik, who's our director of supply management services and, as supporting cast in the back, Dale Eisler, who's our senior advisor of government relations.

In addition to thanking the Provincial Auditor on this particular audit, I'd like to reiterate that we agreed 100 per cent with all 18 observations. In fact we can remind the committee, in things like that, that this was an audit that we actually asked the auditor to take on on our behalf and things, to actually look into our procurement practices and things, something that we're very proud of and actually have had some great successes, but this report and this opportunity to take and make improvements just makes us even better. So that's something that is of great value, and I think makes us one of the best, hopefully in the province, if not in the country. Indeed we've won awards internationally for some of our procurement practices, and an awful lot of this just takes and recognizes some of that.

Nevertheless, excellent learning opportunities, and today we're glad to perhaps close out this particular audit and speak to the four remaining items, all of which have now been implemented. And I think, as Mr. Deis has mentioned, one with respect to the board approval of reporting that's necessary; two that relate to how we had different procurement practices within different parts of the university that we've now coordinated under one set of processes and set of regulations and templates; and most importantly, one that we continue to work on to even improve even more is a simplified signing authorities policy. So we're glad to report that all of those have now been implemented. Thank you.

The Deputy Chair: — Questions? Ms. Sarauer.

Ms. Sarauer: — Thank you, and thank you for your answers and the work that you've done already on these recommendations. I do have just a very few questions, one with respect to 3.2. You had mentioned it very briefly, the requirement for the board of governors to define its reporting needs, and I understand it's partially implemented. Can you provide a bit more of a detailed update on this one for us?

Mr. Button: — Yes indeed. Right now it's fully implemented. In fact we presented to the board a number of different options and things back in February 24th, 2016, which the board approved a recommendation of exactly which reporting they would like to receive at the board level. And so that was approved back in February 2016.

Ms. Sarauer: — So that's already being utilized?

Mr. Button: — Absolutely.

Ms. Sarauer: — Okay, thank you. Similarly 3.5, there are two that are listed, two recommendations that are listed as partially implemented. Could you provide some more detailed updates on those as well?

Mr. Button: — Yes, absolutely. Both of those have now been fully implemented as well. In both cases it was a matter of having procurement practices within individual specialty areas, so for instance in our construction area, which was slightly different that what we were using in our, say our general procurement and such. So we've taken and recognized . . . And in fact in the initial audit report the Provincial Auditor gave a very good example of one large project that had components of it that were construction-related components or general procurement-related, and it very clearly illustrated how both were acceptable processes, but it just reflected the fact that they weren't coordinated.

So now we have one coordinated template, one coordinated process across all of the different disciplines. And in particular the ones that tended to operate a little bit more independently or in different practices were our facility's management area versus our general supply management services. And then also the bookstore and library, just the nature of their operations of course, a bookstore doing lots of procurement and things and had their own practices. Now we've coordinated all of them, so that has been fully implemented now as well.

Ms. Sarauer: — Thank you, I appreciate that.

The Deputy Chair: — Any other questions for committee? Thank you, Mr. Button, for answering all those questions. At this point, I need someone to move that the committee conclude consideration of the Provincial Auditor's report, 2016 report volume 1, chapter 36, University of Regina. Mr. Michelson.

Mr. Michelson: — I so move.

The Deputy Chair: — Agreed?

Some Hon. Members: — Agreed.

The Deputy Chair: — Thank you. This committee stands recessed until 1 o'clock.

[The committee recessed from 11:41 until 13:02.]

Standing Committee on Public Accounts

The Chair: — Good afternoon, everyone. Welcome back to Public Accounts. Our next item on the agenda is consideration of the Provincial Auditor's reports and so I am just going to pass it off to our auditor, Ms. Ferguson, to make some comments.

Ms. Ferguson: — Thank you very much, Madam Chair — welcome — Deputy Chair, and committee members. The number of chapters that are on for this agenda item, the first three chapters all relate to a summary of implemented recommendations. So what we're doing is, as an office we provide that within our reports really just to close the loop so that members of the Assembly and also the public know that those recommendations are implemented. With respect to the other two chapters, Ms. Lowe is going to present the results of that, so I'll just turn it over to Ms. Lowe.

Ms. Lowe: — Thank you. The chapters before you this afternoon do not contain any recommendations. Rather they provide your committee with an overview of its accomplishments and the status of implementation of the committee's recommendations.

In our view, your committee is very important in that it is the audit committee for the Legislative Assembly. It plays a critical role in fostering an open, accountable, and transparent government and better management of government operations. Your work contributes to the government's implementation of a significant number of recommendations.

In your review of our work, your committee makes recommendations either through the concurrence with those of our office or on its own. Your committee includes its recommendations in its reports to the Assembly. During 2015-16, the committee tabled two reports: the second report to the 27th legislature, which was tabled on November 4th, 2015 — it contained over 620 recommendations — and the third report to the 27th legislature, which was tabled on January 19th, 2016, and it contained 68 recommendations.

Your committee has asked our office to assess the government's compliance with its recommendations and to report on their status. We make this assessment as part of our examinations. We report the results of these assessments in either specific chapters or, if not discussed elsewhere in the report, in a table in the Public Accounts chapter. Each year in the Public Accounts Committee chapter, we provide you with the summary of these assessments.

As set out in chapter 51 of our 2016 report volume 2, as of September 2016 the government has implemented 62 per cent of the recommendations included in the committee's reports. As well, by this date the government has partially implemented another 51 per cent of the remaining recommendations. These percentages do not include recommendations the committee has considered but not yet reported to the Assembly. And that concludes my overview, and we'd be happy to answer any questions.

The Chair: — Thank you, Ms. Lowe. I'd like to open up the floor for questions. Are there any questions? Ms. Sarauer.

Ms. Sarauer: — I just have a very short question, understanding that the officials aren't here. The recommendations that you provided in this section, do you feel that all of them have been sufficiently addressed thus far?

Ms. Ferguson: — Yes, we do. That's why we've classified them as implemented.

Ms. Sarauer: — Okay. So understanding that, then there's none of these that need to be followed up on in the future?

Ms. Ferguson: — Not at this point in time, no.

Ms. Sarauer: — Okay, thank you.

The Chair: — Thank you. Any other questions? Seeing none, our committee can conclude consideration of these chapters. Could I have a motion?

Mr. Doke: — So moved, Madam Chair.

The Chair: — Mr. Doke has moved that for the 2015 report volume 1, chapter 6; the 2015 report volume 2, chapter 31; the 2016 report volume 1, chapter 4; the 2016 report volume 1, chapter 39; and the 2016 report volume 2, chapter 51, that this committee conclude our consideration. Is there any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

All right. Ms. Ferguson is just going to move to the other end of the table as we do the consideration of the Office of the Provincial Auditor's business and financial plan. But prior to doing that, I'm going to table a document, PAC 19-28, Global Transportation Hub: Responses to questions raised at the November 28, 2016 meeting. So all members now have a copy of that and that is now tabled. So Ms. Ferguson.

***Annual Report on Operations for the Year Ended
March 31, 2016
and
Business and Financial Plan for the Year Ended
March 31, 2018***

Ms. Ferguson: — Thank you, Madam Chair, Deputy Chair, and members. With me this afternoon I've got Ms. Angèle Borys. To my right and behind me is Ms. Heather Tomlin and Ms. Kim Lowe. Ms. Borys is our office's chief operating officer and the deputy provincial auditor responsible for our support services division, and Ms. Tomlin is our office manager. And Ms. Lowe, the committee is familiar with her; she's our committee liaison.

Thank you very much for the opportunity to present the office's *Annual Report on Operations for the Year Ended March 31, 2016* and our *Business and Financial Plan for the Year Ended March 31, 2018*. So there's a two-year difference there.

Both of these are key accountability documents required under the Provincial Auditor's Act. I'm going to present each report separately and then pause between the two of them in case the committee has any questions on our annual report.

I'm going to start with the annual report on operations because in our view an annual report on operation provides a foundation for and information for you as a committee to consider and look at when you're actually considering our request for future funding. So again, it sort of sets the stage for our 2018 plan.

So this report contains the results of both our operational performance and our financial performance. The report contains seven different audit reports covering both the office's operational and financial information, and each of the reports are unqualified. This tells you that the operational and financial information included in this report is reliable, accurate, and complete.

First, with respect to our operational performance, our office grouped its related goals, measures, and targets using the five perspectives of the balanced scorecard approach in this report. Exhibit 2 on page 15 provides a summary of each of those five perspectives and sets out the related goals and measures. And what I'm going to do is I'm going to highlight the performance for the March 31st, '16 using each of those perspectives.

So for the first perspective, which is clients or stakeholders, the office's primary stakeholders are you, the Members of the Legislative Assembly, and the people of Saskatchewan, along with the officials of the various agencies to which we're responsible for auditing.

Through our work, our goal is to strengthen and advance the government's ability to achieve its intended results and accountability. We indicate on pages 16 to 17 we either exceeded or met the targets for the two related measures. They are: the government acted on 93 per cent of our type 1 measures — and those are the ones that we've gauged as being easier to implement — and 99 per cent for type 2. Those are the ones that take more time. Secondly the agencies that responded to our survey have expressed satisfaction and value with the work of our office.

On page 18 we note that we generally met our objective in that we provided 80 per cent of our reports within the agreed-upon time frame. This is an area that continues to be an area that we need to do better at and work on, and I think what you'll find is that yes, it's an area that we're still working on.

For the second perspective, which is organization, it relates to our office's staff use of time, meeting deadlines, carrying out quality work, and operating effectively. We indicate on pages 18 to 20 we've met the targets for four of the five related measures.

On 20, page 20, we indicate that we couldn't report on the fifth measure, and it's just really a matter of a situation that in this last fiscal period there was no external peer reviews that were conducted by our provincial institute or by our colleagues across Canada, the CCOLA [Canadian Council of Legislative Auditors] community. So it's more of a timing issue than anything else.

For the third perspective which is people, learning, and development, in common with any audit firm, the office's employees are its most valuable resource. It must have the right balance of knowledge, skills, and expertise to carry out its work. Our goal is to be an employer of choice. This means staff must view our office as a good place to work, and that we must have a strong training and development program and staff with skills beyond that traditional skill set of financial auditing. So we need those broader skill sets.

We indicate on pages 21 to 24 that we've met the targets for two of the four related measures. Surveys of our staff show a positive level of satisfaction with the office and the extent of non-accounting skills exceeds our target of at least 15 per cent.

We report that we didn't meet our measure with respect to the extent of time that we're spending on training activities, and this is one that we continue to have a bit of trade-offs in terms of trying to meet deadlines, is frankly what's happening. So we're deferring some of our training opportunities and such so that we're meeting the deadlines of our workflow. So it's a bit of an internal trade-off and struggle that we are continuing to face.

We have relooked at that measure, you will find, in the percentage and target, and you'll find in our 2018 report we've actually reduced the target on that to something that we think is probably a bit more realistic.

In addition, at the time of writing this report we didn't meet our target of the percentage of students who were successful in challenging the common final exam for the chartered accountancy designation, and only two of the four students were successful. Subsequent to writing this report we did have one of those students rewrite the exam and was successful after rewriting.

For the fourth perspective, resources, our goal is to provide relevant, reliable, and timely products and services at a reasonable cost. We indicate on pages 24 to 25 that we've met the targets for the three related measures. This committee has approved our plan. We've completed the work as we've planned it, and your committee has accepted 99 per cent of the recommendations that they considered and had reported to the Assembly.

I pause on that 99 though, and I want to draw to your attention that in the 2018 plan we've changed how we're measuring that. Beforehand we were tying it into the reports to the Assembly, and now what we're doing is we're tying it into the consideration at the various meetings. What we found is that when the committee wasn't doing regular reporting — which you are doing now, and thank you very . . . congratulations on that — but what it was doing is we were getting a lag in the information in terms of our measures. So it wasn't really a good indicator.

For the last perspective area, which is public and social, our goal is to raise awareness of the office as an accessible and independent office serving the Assembly and people of Saskatchewan. We indicate on pages 25 to 27 that we've met the targets for the four related measures.

So that concludes my presentation and highlights of our annual report on operations. And we'd be pleased to respond to any questions of the committee.

The Chair: — I'd like to open up the floor. Ms. Sarauer.

[13:15]

Ms. Sarauer: — Thank you for your detailed explanation of your report, Ms. Ferguson. I appreciate it. I just have a very few brief questions. You had mentioned that you weren't able to meet your target for time spent on training activities because you needed to defer that time to meet some deadlines, and as a result you've amended your targets for the subsequent year to be what you consider to be more realistic. Is this an issue in terms of staffing levels, or do you feel like you have the staff that you need to meet your deadlines and also accomplish your other goals as well?

Ms. Ferguson: — I think really what it is is that, you know, it's a number of factors. What we're working through, and you'll see that I'll highlight it in the second aspect, is that in this last fiscal period basically the government changed the year-end of the Crown corporations so we have a change in our workflow. And frankly we're still working through that in terms of the implications of that change in workflow because a key driver of that is the completion of the summary financial statement audit, and it pushes everything back and the coordination with the accounting firm. So it's partly that. It's also partly that our staff turnover frankly was higher than what we had anticipated last year. And that's an area that we're going to have to watch very carefully. What we are finding is that our staff are having other career opportunities and seeking other career opportunities, you know. And so, you know, I think it's a combination. You know, we're still being very successful in being able to recruit individuals, and I think we're able to recruit quality staff. So it's that overall balancing that we're really having to do as an organization.

Ms. Sarauer: — Do you have any idea why the staff turnover rate would be higher this year than it was in previous years?

Ms. Ferguson: — As a matter of normal course, we do exit interviews. And really a lot of them, what we're hearing is that it's, you know, in some cases they're moving to locations where they have a significant other, and you can understand that. Other cases, you know, it's the . . . which we do hit because we are a training office, is that they want to see the other side of the world. They want to see what, you know, Terry and Chris's shop is doing, you know, that type of thing, to see what the auditing, the accounting world is like too.

So you know, what we're finding is really a mixture in terms of responses as to the reasons that they're leaving. What we are finding is that they aren't expressing dissatisfaction with the work. What they say is, you know, we've provided them with a good foundation and training. We do expect to be a training office, but I guess maybe not to the same extent that we were last year.

Ms. Sarauer: — Fair enough. Thank you. Are all of your staff still able to, however, meet any requirements for their professional designation for all of their training?

Ms. Ferguson: — Absolutely. You know, that is a priority for our office and for our staff. And so what we do to help them facilitate that, we host in-house training events. We actually have tagged on to an initiative right across Canada from the legislative audit community, in terms that we can access some e-learns in some technical areas. And we actually do webinars nationally too to hook into. So we use those types of things to make sure that the people are meeting the professional requirements.

And over and above that there's some things that they have to do on their own, and we're making sure that they plot that into their scheduling.

Ms. Sarauer: — You also mentioned that, and I did know from presentations as a new MLA [Member of the Legislative Assembly], that one of your goals is to raise awareness of the functions of your office, and you were able to meet your target for this year. What's your plan for improving awareness of the functions of your office in the future?

Ms. Ferguson: — What we do is, you know, like I don't know if you're aware, but I was on CJTR yesterday, you know, the community radio station. We're doing that type of thing. We've done some reformatting on our web page, you know, and hopefully making things a little bit more accessible and understandable.

We haven't entered into that world of social media as yet. Our communication person is looking at that, and frankly looking at it very carefully and trying to figure out what other jurisdictions are doing in that area and what their learnings are from that area too. So you know, it's really to make ourself accessible and doing it in frankly a multifaceted approach. We try to meet with key organizations, like the education sector has a forum that we attend, there's one in the health sector that we're attending, and those types of events.

Ms. Sarauer: — Thank you so much.

The Chair: — Thanks, Ms. Ferguson. Are there any other questions on the annual reports? No? Seeing none, would you like to talk about the business and financial plan?

Ms. Ferguson: — Most definitely. So the Speaker tabled our 2018 business and financial plan on December the 1st of 2016. Along with our audit report and our annual report on operation, that is available on our website. And for the listening public, we have a great website handle, it's www.auditor.sk.ca.

So the 2018 plan contains the information that's required by our legislation, *The Provincial Auditor Act*, along with additional supporting information to assist you as members in understanding our funding request and our work plans. The plan sets out the work that's required to discharge our responsibilities under *The Provincial Auditor Act*. It includes our request for resources for the year ended March 31st, 2018 for the committee's consideration and approval for submission to the Speaker, and in turn for inclusion in the estimates to be tabled in the Legislative Assembly.

We prepared the 2018 plan using the Public Sector Accounting Board's statement of recommended practice, referred to as

SORP-2, *Public Performance Reporting* as published by CPA Canada [Chartered Professional Accountants of Canada]. The reason that we use that practice statement is to help ensure that the information in our report reflects best practice and is really comprehensive enough to provide you with a good foundation for our funding request.

Consistent with prior years, the 2018 plan contains three main sections. Before I provide a brief overview of the sections — which I'm going to focus on section 2.0, which is our funding request — I want to draw to the committee's attention that the goals and objectives and measures that are contained in this plan are updated, and they reflected the updated strategic plan. And you'll find that in section 5.0 we finalized the strategic plan late last summer, and it was done after vetting with a number of key stakeholders.

So just to highlight each of the key sections. So section 1.0, the Office of the Provincial Auditor, it starts on page 2. This section briefly describes the purpose of the office, including who we serve and what we do. It highlights key accountability mechanisms included in *The Provincial Auditor Act* and the legislative framework for the independence of the office and its staff. In particular it highlights our responsibilities for the Legislative Assembly and the relationship between our office and this committee.

Section 2.0, which starts on page 8, it sets out our request for resources for the year ended March 31st of 2018. Our request is based on the amount reflected in our audited financial forecast and work plan, and you'll find that contained in section 3.0. Since 1998 request to the Board of Internal Economy — that's for the last 19 years — the office has included an audited financial forecast in our annual business and financial plan. The audit report on the financial forecast gives you as members and the legislators assurance that, independent of our office, that the information that we provide is reliable.

You'll find on page 16, on section 3.2, that Virtus Group has provided an unqualified audit report on our financial forecast. It reports that our financial forecast is consistent with and reasonable in relation to our work plan and our strategic plan. The financial forecast details our planned '17-18 revenue and both the planned expenses, which is on page 17, and expenditures, which is in note 6 on page 20. We use the Act, our strategic plan, and a risk-based model to set our priorities and allocate resources to develop our work plan and in turn our financial forecast.

So if I could have you turn maybe to page 9 of the plan. So consistent with *The Provincial Auditor Act*, our request includes two separate appropriations. The first is our main appropriation; that's the (PA01). For the 2017-18 we are requesting a main appropriation of 8.151 million. This reflects a decrease of 54,000 from the prior year, which is about a 1 per cent decrease. When determining our main appropriation, we looked for opportunities to reduce and control spending, given the government's current and anticipated fiscal situation.

We kept in mind, when looking at the factors that affect our spending, that some of the factors are beyond our control. So these factors are listed on pages 10 to 12. The factors include the number and size of government agencies, market conditions and inflation affecting staff salaries and benefits, and the cost of our goods and services. They included the quality of and changes to government systems, practices, and personnel; the level of co-operation that our office receives from government agencies; and the government's use of appointed auditors; and finally, changes to professional accounting, assurance, and auditing standards. I'm going to highlight a few of these that are highlighted in the plan.

So in section 2.4, which is called factors, forces, and trends affecting the appropriation — this starts on page 10 — it outlines our anticipated financial pressures and areas identified savings and costs that we expect to absorb.

First with our financial pressures. The government's 2016 decision to provide a 1.65 general salary increase effective April 1, 2016 increased our salary and benefit costs by $99,000. Under *The Provincial Auditor Act*, staff of the office are to have similar benefits as those available to public servants. Changes to premium rates decreased our premiums on a net basis by $3,000. That is based on known or anticipated premium rate increases. So we expect increased premiums of $8,000 for CPP [Canada Pension Plan] and our extended health plan, and we expect those to be offset by decreased premiums of 11,000 for WCB [Workers' Compensation Board] and EI [employment insurance]. So that's the net of three.

We expect the costs of our 10-year lease to increase by 22,000. That's a result of our lease including escalation clauses for building operating costs such as utilities. And we anticipate that inflation, using the government's rate of 1.8 per cent, will increase our costs for contracted staff assistants, IT, security, licensing, supplies, and audit travel by about 21,000.

Our office uses contract staff, including outside advisers and assistants and specialists to assist during peak audit periods, and that's particularly important given the shift of the CIC [Crown Investments Corporation of Saskatchewan] year ends from December to March. We've got a greater peak at that period of time. We also use contracted assistants to help us do our performance work to gain that additional expertise and knowledge. We actually find from an office point of view that using contracts is a more cost-effective approach for us as opposed to trying to maintain that level of staffing throughout the entire year or, frankly, some of the expertise that we need to have that on staff on a full-time basis. So these contracts, we've assessed that as being more cost-effective.

The next one is that we expect the net increase in the number of government entities to increase our work by about $12,000, but this is offset by an $86,000 decrease in our work given the government's decision to use an appointed auditor from one of the agencies. So in section 4.1, page 30, you'll see the details of those changes.

And I just want to remind the committee that even where there is an appointed auditor in place, *The Provincial Auditor Act* requires us to audit all agencies and to remain involved, and that the cost of appointed auditors are borne directly by the agencies themselves. So it's not really a . . . it may be reducing our costs but those costs do exist elsewhere.

And the last area is that our request does not include the

anticipated increases and audit costs related to key changes in audit methodologies. We are aware of and really preparing and ramping up for a more significant change than normal to methodology and that relates to our methodology for performance audits. The standard-setting body has given us quite a bit of lead time to do that, and what we're doing is we're working with the other legislative audit offices to try to minimize the cost of that implementation. But we do recognize that that implementation will require additional work effort for our office, you know, so what we're trying to do is leverage as much as we can the work of the other offices and to do things jointly.

There is a few other changes in standards that we don't think will have a significant amount of impact but we do realize that they will probably have cost considerations that we'll have to impact and look for trade-offs elsewhere.

[13:30]

So in view of the government's fiscal situation, what we've determined is that we're going to be trying to absorb $119,000 of cost increases. We're going to be doing . . . We're trying to do that by leveraging recent retirements to reduce our overall salary structure. And you'll see that our salaries overall are . . . We're planning to decrease that by doing that, and we're actively looking for some other efficiencies.

You know, as I just indicated from earlier comments, we are aware that the market for financial auditors and accountants, it continues to remain strong. You know, as I just indicated a little bit earlier, we have experienced higher-than-expected staff turnover. And as such we know that we're going to have to continue to monitor the conditions, you know, the salary conditions and the employment conditions to make sure that we retain a suitable staff and appropriate staff as an office because we need to be doing quality work.

The second appropriation is the appropriation for unforeseen expenses. That's that (PA02). *The Provincial Auditor Act* requires the inclusion of the second appropriation with the estimates presented each year. Its purpose is to provide our office with resources in order to respond to unforeseen circumstances such as unplanned work, and this includes requests from your committee. It may include pressure to improve the timeliness of our work and unplanned salary and benefit increases.

You know, the quid pro quo on this one is, is that when our office uses this appropriation we are required to report back to this committee. We do that. You'll see that through our quarterly forecasting that we're doing, that's been newly instituted along with our annual report on operation. It'll . . . [inaudible] . . . not only what we've spent, but why we've spent that money. Any unused monies are returned to the General Revenue Fund.

And for 2017-2018 we are requesting $539,000 for unforeseen expenses. Consistent with prior years, this amount reflects our previous net financial as a target of one month salary and benefits. And given that we're planning to reduce our overall salary structure, you'll find that this amount is $6,000 lower than the prior year.

So in summary, our office respectfully asks that your committee approve our request for resources for 2017-18. You'll find the amounts are summarized and set out in section 2.3 of our report, which is on page 9, and it's presented in the format that the Assembly has asked our office to use. So that concludes my presentation and we'd be pleased to respond to any questions.

The Chair: — Thank you, Ms. Ferguson. I'd like to open up the floor for questions. Ms. Sarauer.

Ms. Sarauer: — Thank you. You had mentioned . . . And my question was going to be that you had done a good job of describing where you're going to find efficiencies in the decrease, considering you're asking for a decrease of funding this year. But you had mentioned when you were describing what your office was going to be doing, leveraging recent retirements. Does that mean there will be vacant positions in your office that will remain unfilled?

Ms. Ferguson: — Typically when people are retiring they tend to be the ones that are in the higher end of the pay ranges. And so they'll be . . . You know, so what we're doing is we're actually replacing those vacancies with people at a lower pay rate. So you know they . . . And which is appropriate because they don't have the same level of experience as the people that are retiring. So that's one thing.

We're actually looking at sort of the mix of staff that we're having, too, and then seeing what we can do in that regard in terms of the levels.

Ms. Sarauer: — Do you anticipate that your staffing numbers will change?

Ms. Ferguson: — We're anticipating that our overall FTE [full-time equivalent] count will remain the same, but it's just that shuffling aspect internally.

Ms. Sarauer: — All right. Thank you. Are there any particular plans or issues, areas of concern that your office plans to highlight in the next year?

Ms. Ferguson: — In what respect? Sorry.

Ms. Sarauer: — Good question. Understanding that, you know, you have a schedule that's already planned out for ministries that you're going to talk to, and then there's also the unforeseen that may or may not occur, which is why you're asking for the secondary budget item, I'm just curious if there's a theme or if there's anything in addition to that that your office is planning on looking at or addressing.

Ms. Ferguson: — I think we'll probably be . . . You'll see in our strategic plan, what we're hoping to do is actually move to a format where we're going to present sort of a three-year rolling plan for our performance work, you know. And so we're at the stage right now in this upcoming year trying to figure out what that will look like, what it'll be, what'll it contain and such. And so from there I think, we'll be in a better position to see, you know, will we have themes. And really, you know, I think that'll probably answer your question better in the future.

We're not there yet in this particular one. As I just indicated,

our strategic plan, we finalized it really late summer, and so we're in the stage of implementing that. So we hope to move forward on having a three-year plan, and I'll embed that as a part of our financial and business plan.

Ms. Sarauer: — Thank you.

The Chair: — Are there any further questions? Seeing none, we need to have two motions with respect to these votes. Mr. Cox, I see you have . . .

Mr. Cox: — I would like to move, Madam Chair:

That the 2017-18 estimates of the Office of the Provincial Auditor, vote 28, Provincial Auditor (PA01), be approved as submitted in the amount of $7,922,000.

The Chair: — Thank you, Mr. Cox. Mr. Cox has moved:

That the 2017-18 estimates of the Office of the Provincial Auditor, vote 28, Provincial Auditor (PA01), be approved as submitted in the amount of $7,922,000.

Is there any further discussion on that? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Thank you. And do you have another motion, Mr. Cox? Oh, Mr. Doke.

Mr. Doke: — Thank you, Madam Chair. I'd move:

That the 2017-18 estimates of the Office of the Provincial Auditor, vote 28, unforeseen expenses (PA02), be approved as submitted in the amount of $539,000.

The Chair: — Thank you, Mr. Doke. Mr. Doke has moved:

That the 2017-18 estimates of the Office of the Provincial Auditor, vote 28, unforeseen expenses (PA02), be approved as submitted in the amount of $539,000.

Is there any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. All right. Now I need a motion. If we're all finished here we can conclude our considerations. You know what? I actually need a motion:

That the 2017-2018 estimates as approved be forwarded to the Speaker as Chair of the Board of Internal Economy pursuant to section 10.1(4) of *The Provincial Auditor Act.*

Hon. Mr. Merriman: — I so move.

The Chair: — Mr. Merriman has moved:

That the 2017-2018 estimates as approved be forwarded to the Speaker as Chair of the Board of Internal Economy pursuant to section 10.1(4) of *The Provincial Auditor Act*.

Any discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Thank you. And now we can conclude consideration of both the *Business and Financial Plan for the Year Ended March 31, 2018*. Can I have a motion to that end?

Mr. Doke: — So move, Madam Chair.

The Chair: — Mr. Doke has moved:

That this committee conclude consideration of the Provincial Auditor's *Business and Financial Plan for the Year Ended March 31, 2018*.

Any discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. May I have a motion concluding consideration of the Provincial Auditor's annual report for the year ending March 31st, 2016?

Mr. Doke: — So moved.

The Chair: — Mr. Doke has moved:

That this committee concludes consideration of the Provincial Auditor's annual report for the year ended March 31st, 2016.

Any discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Thank you for that. We do now actually need a motion to go in camera to discuss our audit committee membership. Could I have a motion?

Mr. Doke: — So moved, Madam Chair.

The Chair: — Okay, thank you, Mr. Doke. We'll move in camera briefly here.

[The committee continued in camera from 13:39 until 14:04.]

Audit Committee Membership

The Chair: — Welcome back, everyone. We need a motion now:

That the Chair consult with the Standing Committee on Crown and Central Agencies prior to forwarding the audit committee member recommendations to the Speaker.

Could I have that motion?

Mr. Doke: — Thank you, Madam Chair. I move:

That the Chair consult with the Standing Committee on Crown and Central Agencies prior to forwarding the audit committee member recommendations to the Speaker.

The Chair: — Thank you, Mr. Doke. Mr. Doke has moved:

That the Chair consult with the Standing Committee on Crown and Central Agencies prior to forwarding the audit committee member recommendations to the Speaker.

Is there any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Tourism Saskatchewan

The Chair: — All right, moving on to our next item of business, we have Tourism Saskatchewan here today. Welcome and sorry for the delay here. We appreciate your patience. We have Mary Taylor-Ash, Veronica Gelowitz, and Jonathan Potts. And I will pass it off to the Provincial Auditor to make some remarks, and then we'll give you an opportunity to respond as well. Ms. Ferguson.

Ms. Ferguson: — Thank you, Madam Chair, Deputy Chair, officials, and members. I guess a little bit backwards there. With me this afternoon is Ms. Tara Clemett. Tara is the deputy provincial auditor that is responsible for the social media audit that's on our agenda this afternoon. And Ms. Kim Lowe is our committee liaison.

First off I'd like to actually thank the officials from Tourism Saskatchewan for their co-operation in this audit. It's the first social media audit that our office has done, and it's a relatively new area. We were just chatting in the hallway. It's an area that I think not only the organization learned from, but we actually learned something from internally too for when we're, you know, thinking about our own social media strategy and how to move that forward.

So this afternoon Ms. Clemett's going to do a brief presentation. And there are new recommendations for the committee's consideration in this report.

Ms. Clemett: — Tourism Saskatchewan uses social media to market Saskatchewan as a tourism destination. Social media channels such as Facebook and Twitter allow organizations to create online communities to share information, ideas, personal messages, and other content, and thus affect the reach of a message. Tourism Saskatchewan generally uses social media to build community, identify and empower advocates and influencers, create a positive image of Saskatchewan as a travel destination, increase resident pride, and drive traffic to its website.

Chapter 41 in our 2015 report volume 2, starting on page 293, reports the results of our audit of Tourism Saskatchewan's processes to manage its use of social media for the 12-month period ended May 31st, 2015. We found Tourism Saskatchewan processes were effective except for the five areas reflected in our recommendations.

On page 296 we recommend that Tourism Saskatchewan complete a social media strategy including performance measures and targets for its use of social media. Tourism

Saskatchewan did not have a separate documented social media strategy linking its social media channels to its key business objectives. Also it did not have a formal process to determine whether its social media efforts were successful in meeting its business objectives. Setting performance measures and targets allows organizations to better assess the effectiveness of their use of social media and adjust their social media strategy accordingly, so phase out accounts that are no longer performing as expected.

On page 299 we recommend that Tourism Saskatchewan approve comprehensive social media policies. And on page 300 we recommended that Tourism Saskatchewan require all staff who represent it on social media periodically review and agree to its social media policies.

We found Tourism Saskatchewan did not have complete and approved social media policies that set out how Tourism Saskatchewan expects staff to mitigate risks associated with the use of social media. Policies should cover what is considered appropriate and inappropriate content for its social media channels and how to address inappropriate content posted by the public and by employees. Once the policies are approved and in place, staff should periodically sign off that they have reviewed and understand the social media policies. Not having such policies and sign off increases the risk of staff not understanding Tourism Saskatchewan's expectations. This lack of understanding increases the possibility of inappropriate content on its social media channels that could cause reputational damage to Tourism Saskatchewan.

On page 300 we recommend that Tourism Saskatchewan post approved terms of use on its social media channels. Tourism Saskatchewan did not have terms of use for site users or followers posted on its social media channels. A terms of use would inform users what is regarded as an acceptable posting behaviour. This would aid both staff and site users to understand when and why Tourism deletes or rejects content on its social media channels.

On page 302 we recommend that Tourism Saskatchewan provide its board and senior management with periodic reports on the planned and actual results from its use of social media. Tourism Saskatchewan did not have a formal performance measures and targets for social media. As a result neither the board or senior management received information on whether its social media activities achieved the benefits or results expected. Without measuring and reporting results, Tourism Saskatchewan does not know if its social media efforts were successful and the resources spent to manage social media were worthwhile. That concludes my overview of this chapter.

The Chair: — Thank you, Ms. Clemett. Ms. Taylor-Ash, would you like to make some comments and give us some idea as to where you're at with respect to these recommendations?

Ms. Taylor-Ash: — Yes, thank you so much. We're pleased to be here today to speak a little bit further, and certainly to answer any questions that anybody does have, about the recommendations around this groundbreaking audit. We were the first, and quite pleased to be the first in the process.

The officials with me today, Jonathan Potts is our executive

director of marketing and communications and is responsible for this particular area at Tourism Saskatchewan. Veronica Gelowitz, who is also with us, is our executive director of corporate services and chief financial officer, and she does have responsibility for human resource policies, that kind of thing.

Social media's already been pointed out as an especially important tool in tourism marketing, and our use of many social media channels enables us to expand our connection with visitors and potential visitors. We also use social media to promote some of the products and services that we have, especially in education and training.

We already felt, even prior to the audit, that we had a robust social media program but following the audit, the recommendations really did help us in terms of identifying areas where we need to formalize some of these processes and procedures. Use of social media is a relatively new tool. The audit assisted us in terms of suggesting ways that we could have more structure and certainly be more secure in our transactions in social media. We have developed a formal social media strategy. We now have very clear written policies and sign-off procedures for employees, and we have established targets related to social media and linking them directly to our business objectives.

So I'm really pleased to report to this committee that we have fully implemented all of the recommendations that were put forth to us. And the three of us are here today to answer any other questions you may have. Thank you.

The Chair: — Thank you, Ms. Taylor-Ash. I'd like to open up the floor for questions. Ms. Sarauer.

Ms. Sarauer: — Thank you, and thank you for your opening remarks. I think it's probably easy to say that your ministry is the most active on social media, and I think . . . During lunch I just noticed an announcement of the new Saskatchewanderer, so I'm also a viewer of your social media activity.

Anyways, I have a few questions with respect to these recommendations and the work you've done on them. I'm interested to know what sort of policies you've implemented regarding termination of employees who are in charge of your social media accounts. It's important, especially if you're terminating someone with no prior notice, that you have policies in place so that that individual immediately does not have access to any of the ministry's social media accounts and therefore can't post anything subsequent to their termination. So could you elaborate on what processes you have in place now?

Mr. Potts: — Sure. Thank you. I guess the first thing I would say is the numbers of people that we have or we give access to social media, our accounts, is very limited. So that's to provide some assurance that way. I think we'd start with that. So right now it's three people on our social media team. With our policies, yes we would immediately deactivate their access to the accounts, change passwords, and so forth. So immediately we would be able to respond to that.

[14:15]

Ms. Sarauer: — Do you have policies in place to ensure that

staff members . . . And I recognize the fact that you have . . . and I noticed in the notes that there aren't a lot of people who are in charge of these accounts, but you never know when you're going to get a situation with an employee when you encounter these situations, and you don't necessarily want to have to worry about it after the fact.

Password changing. Do you have policies in place for ensuring that your staff aren't changing the passwords on social media accounts, and is somebody monitoring to ensure that those passwords are being kept somewhere and that they're not being changed without notice to supervisors or management?

Mr. Potts: — That's actually a good question. I don't know that I have a full answer for you today. We do have, like I say, from our marketing perspective, three people that are in charge of those accounts. The lead person is our social media consultant or digital consultant. The passwords are quite frankly kept so secret that I don't even have access to them. So yes if, you know, a sudden termination were to occur, we would immediately . . . We haven't had to do that yet and we haven't really considered it quite honestly, but if that were to occur we would immediately activate our policy and, say, change accounts and deal with it at that moment.

Ms. Sarauer: — I guess then I would just throw that out as a potential warning as somebody who, in my previous life, had to monitor staff who utilized social media accounts. It was a constant fear of mine, even though I wasn't terminating the staff — all these different scenarios that you don't really think about until it's too late, frankly.

Moving on, I'm curious to know about interactions you're having on social media with the public. So I'm assuming that would be comments on Facebook posts or comments on your Facebook page, perhaps direct messages or mentions on Twitter, comments on Instagram, things like that. Do you have . . . Are your staff monitoring that? And secondly, are you also keeping track of the response time?

Mr. Potts: — We have staff assigned, I won't say 24 hours, but basically all waking hours to monitor our accounts. So our social media team, there'll always be one person in the evenings, on weekends, monitoring accounts to see if anything untoward, I guess, is being said or done on their social media accounts. And we do respond immediately and we have, as we mentioned, terms of use policies now that are in place. So we deal with that immediately. If something were to happen at 3 in the morning, we might not be able to respond until 8 o'clock. But basically from the time somebody wakes up to the time the last person goes to bed, there's somebody looking at it.

Ms. Sarauer: — I think that's totally fair and understandable. Has there been instances where you've had to block individuals from engaging with you on social media already?

Mr. Potts: — Yes. Thankfully those have been exceedingly rare situations. I can't think of a situation in the last probably year or two where that's happened. But we have had to, you know, stop a conversation or remove some content people have posted in the past. Usually it's verbal, you know, again an untoward comment about an individual, a location, maybe Saskatchewan even. But it's quickly removed.

Ms. Sarauer: — The second part of my question: I know for example with Facebook messages, Facebook will monitor the amount of time it took for you to respond to an individual's message. Is there someone on the management team or somebody that's monitoring to ensure that requests or conversations that are being started are being responded to in a timely manner?

Mr. Potts: — Yes, and I apologize. I meant to answer that before. As part of having somebody monitoring our accounts all the time, we make sure that we respond in a timely fashion usually within an hour or two, and that's if the comment requires a response. Usually we don't get a lot of questions per se. You know we might get, if we post a beautiful picture of a northern lake, somebody might say, "Where is that?" And that's the kind of question we're responding to, and they will get a response right away. But typically yes, we're engaged in the conversation and directing it in a positive manner.

Ms. Sarauer: — That's fantastic. My other question was on your policy regarding, or if you have a policy regarding your employees utilizing your social media accounts on their personal devices. So for example, say they have a cellphone that could be provided to them through work, but perhaps they have multiple social media accounts on that phone, there is the danger that if they have some personal accounts on there and some professional accounts on there that there's the threat that they might accidentally post the wrong thing to the wrong account. So do you have any policies in place in order to protect yourself from that situation?

Mr. Potts: — Great question. I would say no, we don't. And we certainly do have that situation where, you know, everybody on our team has a work- assigned computer and a phone, and they deal with social media that way. But certainly they would access their personal accounts, so I think that is probably a risk you've identified.

Ms. Sarauer: — Thanks again, and thanks for all your work in this area. I think your ministry's doing a great job in terms of promoting the province through social media accounts.

The Chair: — Thank you, Ms. Sarauer. Are there any further questions? No further questions? Can I have a motion? There's five recommendations, and they've all been implemented. Could I have a motion? Mr. Doke.

Mr. Doke: — Thank you, Madam Chair. In regards to the 2015 report volume 2, chapter 41, recommendations 1, 2, 3, 4, 5, we would concur with the recommendations and note compliance.

The Chair: — Thank you, Mr. Doke. Mr. Doke has moved that for the 2015 report volume 2, chapter 41, recommendations 1, 2, 3, 4, and 5, that this committee concur with recommendations and note compliance. Is there any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. All right. Well thank you very much for your time here today, and we will just take a brief recess while we have new officials from Justice come in. Thank you.

[The committee recessed for a period of time.]

Justice

The Chair: — Welcome back to Public Accounts everyone. I want to welcome the many officials from the Ministry of Justice and Attorney General here today. We have Deputy Minister Kevin Fenwick who will in turn introduce everybody who he will have answer questions if need be. So welcome. We have many, many chapters to go through today, so we'll start with the Provincial Auditor, and we'll take our cues from her.

Ms. Ferguson: — Thank you, Madam Chair, Deputy Chair, members, and officials. First off I want to introduce who I have with me this afternoon. It's Mr. Kelly Deis. Kelly is the deputy that's responsible for the Justice sector, and behind him is Ms. Kim Lowe. Kim is our committee liaison.

As the Chair indicated, we do have a number of chapters on the agenda. There's actually 12 chapters on the agenda. So we're going to group them to some extent so that just in a matter of expediency. There's four chapters on the agenda with new recommendations, so we'll present those four individually, you know, in the order that's presented there. And then the follow-up chapters we're going to group together. So if you want to just pull out your agenda we'll share with you what our strategy is.

So the very first one, first presentation will be on the 2016 volume 1, chapter 16. That'll be the first presentation. The second will be the 2013 report volume 1, chapter 18. The third presentation will be two chapters. It'll be the 2015 report volume 2, chapter 15 and the 2015 report volume 2, chapter 12. Kelly will interrupt me if I'm incorrect here.

The next one, this is where we're going to combine. So we're going to combine the 2015 report volume 1, chapter 47. I mean 2015 report volume 2, chapter 47 there; 2015 report volume 2, chapter 48; 2015 report volume 2, chapter 49; 2015 report volume 2, chapter 50. So those four chapters will be one presentation.

The next presentation will be the 2016 report volume 1, chapter 10. And then we'll combine the remaining three chapters on the agenda into one presentation.

The Chair: — Thank you, Ms. Ferguson. I just would ask if when you . . . I know that we've just walked through that, but just when you're making a presentation, can you just refresh our memories at that point and remind us which chapter or chapters we're doing? Mr. Doke.

Mr. Doke: — I'm not sure what happened to 2016 volume 2, chapter 11.

Ms. Ferguson: — That will be combined. That will be separate, Kelly?

Mr. Deis: — Yes.

Ms. Ferguson: — That one is separate. Thank you.

The Chair: — So we'll make sure at the start of each

presentation that we know which chapters are being discussed.

Ms. Ferguson: — So before we launch into making these presentations this afternoon I'm just going to introduce some of the officials that just joined us here: Ms. Charlene Drotar, Charlene's a principal within our office; and Ms. Rosemarie Volk, and Rosemarie is also a principal within our office, and they led some of the work that's before us on the committee, on the agenda this afternoon.

And my last comment is, I want to do a sincere thank you to the ministry and your various officials and the other agencies that are also on the agenda this afternoon that are related to Justice, for the co-operation extended to our office in the course of this work. We greatly appreciate the working relationship that we have with your officials. So with that I'm going to turn it over to Kelly here.

Mr. Deis: — Good afternoon. Saskatchewan Legal Aid Commission provides publicly funded legal services to persons who otherwise cannot afford them. Chapter 16 in our 2016 report volume 1, starting on page 201, reports the results of our audit of the commission's processes to provide legal services to eligible persons. We found that the commission's processes were effective except for the five areas reflected in our recommendations.

On page 208 we recommend that Saskatchewan Legal Aid Commission update its policies and procedures guiding the provision of legal aid services and obtain commission approval of key policy revisions. The commission's eligibility and legal services delivery manual is outdated and does not reflect the commission's recently approved policies and forms. Having conflicting and outdated policies and guidance available to staff may create confusion. It may also increase the risk of staff using outdated guidance that may result in providing services to eligible clients.

On page 210 we recommend that Saskatchewan Legal Aid Commission use its electronic case management system to capture accurately the status of legal aid cases in a timely manner to facilitate monitoring of lawyer caseloads. The commission has an electronic case management system, referred to as the Legal Aid Information Network and also called LAIN — I'll refer to it as that in the rest of the presentation — and it uses it to help track its work on individual legal cases. It expects staff to keep information in LAIN up to date; however we found that some staff do not. For example, we noted that LAIN indicated that about one-quarter of the adult criminal court cases have been open for more than twice the length of time of the Statistics Canada 2013-2014 median length of court case time of 71 days for Saskatchewan. Our testing of case files shown as open for more than 180 days in LAIN found that their status in LAIN was not up to date for almost one-quarter of them. They should have been reflected as closed.

Staff lawyers not keeping LAIN up to date as required by policy provides an inaccurate picture of lawyer caseloads. It makes staff caseloads look larger than actual. Because of the high volume of case files, Legal Aid needs accurate caseload information in LAIN to create summary reports. Lack of accurate caseload data in LAIN increases the risk of ineffective monitoring and makes it more difficult to allocate resources to the right cases at the right time.

On page 212 we recommend that Saskatchewan Legal Aid Commission set expectations to assess the quality and timely delivery of legal aid services. The commission sets measures to help evaluate its success in providing legal aid services. The commission sets what it wants to measure and what information to collect for each measure. However, the commission has not set clear expectations such as what it is striving to achieve; for example, establishing an appropriate time period for when should a lawyer have their first appointment with a client after receipt of the case.

We also found the commission does not collect and measure adequate information on the timeliness of legal aid services as compared to other Canadian legal aid jurisdictions. Other jurisdictions use additional measures to evaluate timeliness and quality of legal aid services and set targets. For example, to measure timeliness they tracked a percentage of same-day decisions on eligibility; to measure the quality of services they periodically survey clients.

Setting clear expectations helps determine the extent of efforts and resources needed to reach the desired results. Setting clear written expectations for timely and quality legal aid services would also allow the commission to identify and address factors inhibiting the effective provision of legal aid services. It would allow the commission to better plan for and gauge its success.

On page 215 we recommend that the Saskatchewan Legal Aid Commission conduct written annual performance evaluations of its lawyers. Contrary to provisions of the collective bargaining agreement for its lawyers and other legal staff, legal directors did not formally evaluate staff lawyers annually; rather they only formally evaluated performance of staff lawyers during their probationary period. Written performance evaluations can provide staff with useful feedback on the quality and timeliness of legal aid services and support a culture of professional engagement.

On page 216 we recommend that Saskatchewan Legal Aid Commission publish reasons for key differences between actual and expected results for legal aid services and establish actions to address shortfalls in its plans. We found that not documenting file completions in LAIN resulted in reporting inaccurate information for various legal aid services measures. The commission presented three- or four-year trend information for most measures in its annual report.

However, because the commission had not set clear expectations for its delivery of legal aid services, its annual report does not clearly describe its actual progress against expectations. As a result it is difficult to determine whether the commission delivered timely and quality legal aid services. Providing reasons for key differences between expected and actual results facilitates informed decision making. It also aids in determining action plans to address services that did not meet expectations.

Those are our comments on the chapter.

The Chair: — Thank you, Mr. Deis. Mr. Fenwick, would you

like to make some comments on chapter 16?

Mr. Fenwick: — Thank you, Madam Chair. Yes, if I could just take half a minute to make a couple of general comments first, if I might. First of all, on behalf of everyone here, my twin brother Dale McFee, and all the rest of our staff here, I want to sincerely thank the Provincial Auditor for the excellent work that she and her staff do and for what I think is a very open and collaborative working relationship between the ministry and the Provincial Auditor's office. We certainly appreciate that. We take the guidance that we're given very, very seriously and work very hard to make sure that we're responding in an appropriate manner.

[14:45]

As you can see and as several have noticed, there are a number of us here today. We are a very large ministry with a very broad mandate and a number of different diverse programs. So we've endeavoured to bring people with us today who can answer any specific questions that the committee might have, and that's the reason there are so many. I don't propose to introduce everyone. We'll introduce those who come forward, when and if they come forward, in response to questions that the committee may have.

Specifically now with respect to this particular item, I would introduce Craig Goebel, who is sitting beside me. Craig is the CEO for Legal Aid Saskatchewan and will answer any of the tough questions that you have as we go through. And I'll begin with some general remarks.

As you know, the Saskatchewan Legal Aid Commission is responsible for providing publicly funded legal services, legal aid services, to persons who otherwise cannot afford them in our province. The commission provides legal services through its head office in Saskatoon and 14 area offices located throughout the province. Last year it handled 14,700 cases, just under 15,000 cases through those offices. They work very hard. They do excellent work but, as the Provincial Auditor has duly noted, there are five recommendations where the commission needs to improve the manner in which it delivers those services.

And I'd comment first of all on recommendation no. 1 which, as has been pointed out, is on page 208 of chapter 16 in the 2016 volume 1 report. It relates to having an outdated manual to guide its provision of legal services. The issue for us is, having conflicting and outdated policies and guidance available to staff may cause confusion. It also increases the risk of staff using outdated guidance that may result in providing services to ineligible clients, and we have a mandate to provide services to certain clients. We want to make sure that we are maximizing our resources to meet the clients that are within the mandate.

The ministry and the commission considers this recommendation partially implemented at this time. A review and revision process of the manual began in February of 2016. Revisions have been discussed with staff, and a public comment period will run until the end of this month, January 31st of 2017. The updated manual is expected to be completed by March 31st of 2017.

Recommendation no. 2, found on page 210 of chapter 16 of the

2016 volume 1 report. This relates to some of the commission's staff not keeping the electronic case management system — which we'll refer to as LAIN, as has been indicated — not keeping that up to date. The issue for us is that not keeping LAIN up to date provides an inaccurate picture of lawyer caseloads. Lack of accurate summarized caseload data increases the risk of ineffective monitoring and allocation of resources to the right place at the right time. And certainly from a management perspective, that's something that Craig and his staff are very interested in.

We consider this recommendation to be partially implemented at this time as well. Management has identified stale-dated files, as the auditor's representative has indicated was the case within the LAIN system, and has begun the closure process of those files. Effective July of 2016, each area office receives quarterly reports of stale-dated files and are required to report to management if the file is still active. Management and the legal directors will continue to use trends data related to crime statistics and applications to reallocate resources within and between offices. Management will report again against the benchmarks by June 30th of 2017.

One of the challenges I think that Craig and his staff face is that our system in Saskatchewan — which is based on a clinic model which has proven to be the most effective model across the country — those offices, I think it's fair to say, have operated very independently as separate law offices over the years. And what we're trying to do while respecting that is make sure that there is coordination of processes between the offices.

Recommendation no. 3 you can find at page 212 of chapter 16 in the 2016 volume 1 report. This relates to the commission not collecting and measuring adequate information on the timeliness of legal aid services. In addition, for several existing measures, the commission had not set clear expectations. The issue for us is that setting clear expectations helps determine the extent of effort and resources needed to reach the desired results and address factors inhibiting the effective provisions of legal aid services. It would also allow the commission to better plan for and gauge its success.

In this case as well, the ministry and the commission consider the recommendation to have been partially implemented. As of July 1st of 2016, staff enter the date of the first telephone or in-person meeting with the lawyer for each full-service file in LAIN. The time between the determination of eligibility and the first meeting with the client is the wait time for the client. Management will establish preliminary baselines and appropriate benchmarks by March 31st of 2017. Management will report against the benchmarks by June 30th of 2017.

Management has used a long-established range of newly opened files per lawyer as a de facto benchmark for an appropriate criminal duty counsel service and family caseload. These ranges are based on historical case counts but beginning April 1st of 2016, legal directors receive quarterly reports of their offices' performance against the benchmarks. Management will undertake new research and test these benchmarks to determine appropriateness by March 31st, 2018. We're recognizing that just because that's the way it's always been done may not be the way that it should be done on a

go-forward basis.

Management will identify other outcomes-based performance measures. These will require developing new reports from LAIN data and access to current and historical court services data on a timely basis. And I would be remiss if I didn't point out that our new IT program that we've been working on for some time and which is in the process of being implemented, CJIMS [criminal justice information management system] in the justice system will be of great help not just for our court process but for other organizations working in the justice system, such as the Legal Aid Commission.

The federal Legal Aid Directorate advises that they will be implementing additional reporting requirements, including outcomes-based metrics for all legal aid plans in Canada. We do receive funding on the criminal side from Canada, and understandably they're asking for the data. This will put us in a good place to be able to respond accordingly.

Recommendation no. 4 you will find at page 215 of chapter 16 in the 2016 volume 1 report. This relates to performance evaluations on staff lawyers being conducted only during their probationary period. Formal written annual evaluations were not conducted afterwards. The issue is that periodic written performance evaluations are a useful tool for management to provide feedback on the quality and timeliness of legal aid services of staff lawyers. They also allow the taking of timely corrective action and overall promote a supportive culture of professional engagement.

Once again, the ministry and the commission consider this recommendation to have been partially implemented to date. Two experienced law practice management reviewers have been working with management, legal directors, and staff lawyers to review present file management practices and to develop and implement a set of practice standards for all staff lawyers. Their report will be received by March 31st of 2017 and an implementation plan will be in place by June 30th, 2017. This implementation plan will include a process to regularly conduct reviews of staff lawyers against those identified practice standards by the end of fiscal 2018-2019.

And lastly, recommendation no. 5 which you can find at page 216 of chapter 16 in the 2016 volume 1 report. This relates to not setting clear expectations for the commission's delivery of legal aid services. This makes it difficult to measure progress of actual results and trend information. For us the key issue is that providing reasons for key differences between expected and actual results facilitates informed decision making. It also aids in determining action plans to address services that did not meet expectations in those cases where they do not.

The ministry and the commission at this point recognize that this recommendation is not yet implemented, but that relates to recommendations 2, 3, and 4. Once recommendations 2,3, and 4 are completed, the differences between the actual and expected results will be addressed in the annual report while plans to address shortfalls will be developed through the existing strategic planning process. This will begin with the 2017-2018 annual report.

I would just close by saying that overall both the ministry and

the commission feel very confident in the actions taken in response to the Provincial Auditor's findings. That concludes my initial remarks on this chapter today, but we would be more than happy to answer any questions that any of the committee members may have.

The Chair: — Thank you, Mr. Fenwick. I'd like to open up the floor for questions. Ms. Sarauer.

Ms. Sarauer: — Thank you. And thank you, Mr. Fenwick, for your opening remarks and discussions about these recommendations. To start I'm happy to hear about the implementation that's occurring with respect to the tracking system for monitoring timeliness of legal advice for Legal Aid. This is an issue that I think I brought up during estimates, and I'm happy to see that. Just remind me, that program has been implemented now, or is it going to be implemented in the future?

Mr. Goebel: — Craig Goebel, CEO, Saskatchewan Legal Aid. It's implemented now. So starting a couple of months ago, in the summer, we have them tracking, staff tracking both the time when eligibility has been determined and the first lawyer's meeting date, and everybody tracks that. It's put into LAIN and we can get a report.

Ms. Sarauer: — Now I understand that that information is provided to each director for each office. Is it also reviewed centrally to determine where there's issues in terms of potentially resource issues?

Mr. Goebel: — Yes, there is. But in the short period of time that we're talking about, we don't have a trend that would allow us to say that something is better or appreciably worse than it was in order to manage how it is that we're going to change how it is that we do those sorts of schedulings . So we're still gathering data I would say, still gathering data.

Ms. Sarauer: — Right. I appreciate that. I understand you're still at the preliminary stages, and I'll likely ask follow-up questions about this in the upcoming opportunities I have to speak with you folks at the Ministry of Justice again.

Now you've mentioned that this tracking system is going to be monitoring the difference between the date that it has been determined that that individual meets the eligibility requirements for legal aid and then the date of the first meeting with the lawyer. Is that correct?

Mr. Goebel: — Yes.

Ms. Sarauer: — Is there any plans to expand this to monitor other time factors including subsequent meetings with lawyers as well as potentially the date between an individual applying for eligibility and then being approved of, being determined whether or not they're eligible? So both, I guess both ends of that, of what you're already tracking. Are there any plans of expanding that in the future?

Mr. Goebel: — We can already easily determine the time it takes for the purposes of determining eligibility by way of when someone applies and when the determination is made. Those dates are in the system. The auditor's indication was that, on

review, there is no particular concern about that and the vast majority of eligibility decisions are made either the day of the application or within a week of the application. And by that I mean the vast majority.

The basis for that is that we don't require . . . we require an indication of income or whether someone is on social assistance or band assistance. But unless there's something that sets up a red flag, we don't particularly require someone to bring in a ream's worth of income information. It's taken on faith. And the backstop to that is that we do a random sample every month to determine how many people meet the criteria or don't. And again, the Provincial Auditor's assessment of that protocol indicates that we're far below what would be a troublesome element in terms of providing services to people who aren't eligible.

So we have a fairly fast and reactive front end. We backstop it with the appropriate audit practices so we're confident that that is well in hand. On the other end you're talking about how the lawyers manage their files, and that's what we're talking about in terms of the practice management reviews that have been done. So we'll get advice and recommendations from the practice management reviewers as to how to make more standard and consistent how files are handled in each of the offices. And then that can lead to some time tracking and determining what's the best way to deal with things, how to manage clients through their family and criminal matters. So that's all part of it.

[15:00]

Ms. Sarauer: — Thanks. The auditor also mentioned some concerns about files not closing after the legal issue had been completed. Is this an issue with . . . You've indicated that you've implemented some changes with respect to this issue. I'm curious to know more details about those changes. Have you worked with the admin support to provide this additional data entry point, I'm guessing is all it really is? But could you elaborate a little bit more on what you've been doing on this issue?

Mr. Goebel: — I'm not sure it's properly characterized as an additional data entry. It's a required data entry that people hadn't been doing, and it's one that I've spent a lot of what minimal political capital I have as CEO trying to get people to close their files so that we know what kind of caseloads they have. But that's a problem across the profession. What we've gotten people to do is to understand the value of both the fact that they can get rid of files and have new adventures with new people and new clients.

But we don't have a reason not to close them and so it's just a change of the mindset. We're not really changing what it is people are supposed to do or what they have done. We're just really driving home the point that there's a value to knowing where you are, how much work you actually have that's active, and how much more you can take on, and where you are in the system.

Ms. Sarauer: — So what sort of buy-in have you received from your legal team on this?

Mr. Goebel: — The extent to which I can say it's been embraced with, you know, fiery enthusiasm is . . . I can't say that but everybody knows it has to be done. Kyla Shea, our director of planning and administration, has spent some of her political capital to do that. She has shown people how to do it. She has said the value of it. You can take wasted storage space and put it down; do other things with it. I mean people understand the value of it. The legal directors are working on it as well. But it's a huge culture shift. It's not in the data right now, but I think we started out with 5,000 stale-dated files, and it's down, down, down, down.

Ms. Sarauer: — When you talk to the lawyers at Legal Aid about this, what sort of feedback are you getting for why it's not being done? Are they saying that they're too busy? Or what is it specifically?

Mr. Goebel: — I would say that that's one of the characterizations for why it's not done. Others don't care for filing. We don't have right now a centralized filing program for each of the offices, so that's another thing that we need to do in order to just develop a culture of accountability. And so staff need to be participating in that, support staff as well.

Ms. Sarauer: — So does each separate office have their own filing software? Or does everybody use the same filing software program?

Mr. Goebel: — Everybody uses LAIN, yes. But again the culture's been that in some offices everybody keeps their files. Every lawyer keeps files in their office. Some of them will store them chronologically. Some will store them alphabetically. Some will pile them on chairs. I mean you've seen this I'm sure, as you've practised over the years. And we need to engage the minds of the lawyers and the staff that there are consistent and standardized processes that, if they're implemented, can be more effective. They can be more effective, more efficient and have more time to do the things that people like, which is serving clients.

Ms. Sarauer: — On that note, has there been any look at potentially having essentially like an office manager position? I know in some law firms there's somebody whose job essentially it is to make sure that files are being recorded and tracked and stored appropriately.

Mr. Goebel: — I would say that conversations about inserting a kind of supervisory position in the larger offices is something that we've thought of, talked about. It would take a rebasing of our present funding in order to do that sort of thing. I mean I don't think that's the first place to go but it's not, it wouldn't be the last place that we would look either. I think there is, in the way that Legal Aid has developed over the years, the legal director has a lot of direct reports. It makes it very difficult to do the job as effectively, and that's why some of these recommendations have been made. We were not unmindful of these problems. We were not asking for endorsement. We were asking for verification that if we move forward, these were appropriate kinds of recommendations that would make for a better organization.

Ms. Sarauer: — Mr. Fenwick had mentioned in his opening remarks that the federal government is going to be instituting

some new reporting requirements based on, well, outcomes-based measurements. Is there any indication of what those outcome measurements are going to be?

Mr. Goebel: — Yes. There is a paper that was done for the Legal Aid Directorate. I don't know that it has been published for other than those in the directorate and the plans. But it has an extensive array of outcomes-based reporting requirements that, if my recollection serves, are nearly 40 different ways to measure outcomes.

Ms. Sarauer: — Understanding that it's, as you were saying, it's probably a bit confidential right now what those outcomes are, are there any initial concerns that you have about meeting those reporting requirements?

Mr. Goebel: — I don't think that they would ever ask to implement all 40 of them, and it would be mostly by way of consensus. So they will be whittled down to what all plans can do. And as you might know there's a great variety of ways that legal aid is delivered across the country so I suspect there'll be somewhere between 10 and 15, or something like that. I'm sure we can mange to deal with all those kinds of things.

Ms. Sarauer: — So it hasn't been finalized yet at this time.

Mr. Goebel: — No.

Ms. Sarauer: — Okay. Yes, and I always worry a little bit when we talk about outcomes-based measurement in law, what that's going to look like. Because as you know every file is a little bit different and a successful outcome for one client can look completely different than a successful outcome for another. And that's outside of the scope of the lawyer's abilities, being able to determine and then complete something. So I guess I'm just hoping that those outcomes are going to be measureable and appropriate for the practice of law environment.

Mr. Fenwick: — Just a quick comment, if I might. This is certainly one of the challenges that we face, I think, in the legal profession. It reminds me a little bit of what we used to hear about in the medical profession where some physicians would say, it's an art, not a science. So it's entirely up to us and it's entirely subjective. And there's a little bit of that I think in the legal profession as well where, for some lawyers, not closing the file is not a big deal for them. And this is not restricted to legal aid, because the administrative side of things isn't really part of the practice of law, they would suggest.

I've never quite understood that. I mean personally I got a great feeling of satisfaction of closing that file. I love, when I'm doing my job list on the weekend at home, crossing off the things because it feels good when you've accomplished something. Sometimes actually I'll add something to the list after I've done it just so I can cross it off. But it is a cultural kind of thing that, that is why it is difficult to do this. But my point is that if we're working on it and that it's not unique to legal aid, then it's not certainly unique to the legal profession either. But it takes some work because it is cultural, as Craig has pointed out.

Ms. Sarauer: — Thanks. I appreciate that. Sometimes in

private practice you don't want to do something that you can't bill, and sometimes you can't bill that check mark on closing off the file. But I do understand your comments for sure.

I did want to ask just a quick question about the Legal Aid tariff because it was mentioned in the auditor's report that it's still set as the hourly fee of $88 per hour. Is there any plans of moving that up in the future?

Mr. Goebel: — We have moved it twice in the last four years, but not last year. So it was three years ago, two years ago, but not last year. We want to be fair to the private bar, of which there are about 100 lawyers who are dedicated to doing legal aid work and a $2 increment, which is what we started with, 84, 86, 88, was kind of a match to the negotiated increases that we had in the collective bargaining agreement. We thought that was sort of fair compared to what it was that we were paying internally. But we resourced it out of what was then a surplus, and so as the surpluses dwindled, as it did in the past year or so, we weren't able to match. But we didn't feel too badly about it because there was a suspension of increase during that period of time. We'd have to find a way to internally find the funds to do another increment.

Ms. Sarauer: — So based on that right now, are you concerned that you're not going to be able to maintain this, this tariff?

Mr. Goebel: — No, no. Our budgeting is based on $88, so we can sustain that.

Ms. Sarauer: — Have you ever had an instance where you were not able to match a file with a private practice lawyer when making that request?

Mr. Goebel: — Ask it another way. I'm not sure I understand.

Ms. Sarauer: — Sure. I'm trying to . . . I guess I'll start with the end and then move to the beginning. I'm trying to determine, as you know, it's a . . . And I understand your thought process in terms of why you did the incremental change. It's still a very low hourly tariff for a private practice lawyer, as you know. Even for a first-year call, it's a pretty low hourly wage.

So I'm just trying to ensure that there hasn't been a situation where, because of the tariff, I do know that there are some lawyers that won't take Legal Aid files because of the low tariff. And I just want to ensure that no individual in Saskatchewan who qualifies for legal aid and —for whatever reason, usually conflicts — can't get a legal aid lawyer. Then Legal Aid moves to the next step of seeking a private bar lawyer to take it on the tariff, is unable to get that because of, well you wouldn't know why, but I'm going to presume that it's because of the tariff.

Mr. Goebel: — No. I mean the simple answer is no. No one is refusing work based on the tariff.

Mr. Fenwick: — I would actually go one step further. Not only have we not had a situation where someone didn't get a lawyer because of tariff issues, I'd go further and say we've never had a situation where somebody didn't get a good quality lawyer and good quality services.

I'm sure you're right, that there are some lawyers who won't do legal aid work because they're used to billing hundreds and hundreds of dollars an hour. And if they choose not to do legal aid, that's fine. But the legal aid services we provide, both within the clinic system and where we hire private bar, are high quality legal services.

Ms. Sarauer: — Right. And I appreciate that, and I would never say that any of the lawyers that do tariff work are not quality lawyers.

Are there any areas of the province that are points of concern for you in terms of the list of lawyers who are willing to take on tariff work, either particular court points or areas of practice that you're struggling with?

Mr. Goebel: — Not court points in any way. There is a dearth of lawyers generally in the profession who would be prepared to enthusiastically embrace family law. And those who do do family law are often able to charge market rates, and they have no incentive to do legal aid work. And there are others who are prepared to cut a portion of their practice and do legal aid work, but again we haven't suffered from no one being able to get a legal aid lawyer on the family side. It may take a little bit of time, but no, it's . . . There are, as I think I said, at least 100 lawyers who are dedicated to doing legal aid work. Compared to the entirety of the profession that's actively practising, that's about 8 per cent. So it's not as many as we would prefer, but I'm not altogether sure that even if we were offering $150 an hour that it would dramatically increase, because there's a mindset to doing this kind of work. You have to want to work with the clients.

Ms. Sarauer: — I think you're absolutely right, and there's a huge issue in terms of access to justice for family law. The subset of that, child apprehension files, are you similarly noticing a dearth of lawyers willing to practise in that area?

Mr. Goebel: — No. No, actually there are probably, there are fewer files of course, fortunately or unfortunately. But there is a real group of both internal lawyers and private bar lawyers who thrive on that, who really want to do that kind of work. So no, there's not a problem there either.

[15:15]

Ms. Sarauer: — Thank you.

The Chair: — Thank you, Ms. Sarauer. Are there any further questions on this chapter? Seeing none, could I have a motion? We have four recommendations that have been partially implemented. Mr. Doke.

Mr. Doke: — Thank you, Madam Chair. In regards to the auditor's 2016 report volume 1, chapter 16, recommendations 1, 2, 3, and 4, we would concur with the recommendations and note progress towards compliance.

The Chair: — Thank you, Mr. Doke. Mr. Doke has moved that for the 2016 report volume 1, chapter 16 that for recommendations 1, 2, 3 and 4 that this committee concur with those recommendations and note progress to compliance. Any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

Mr. Doke: — Madam Chair, on the auditor's report 2016 volume 1, chapter 16 in regards to recommendation no. 5, we could concur with the recommendation.

The Chair: — Mr. Doke has moved that for the 2016 report volume 1, chapter 16, recommendation no. 5 that this committee concur with the recommendation. Any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. All right, moving on to the next chapters. Ms. Ferguson.

Ms. Ferguson: — So the next chapter is the 2013 report volume 1, chapter 18. Our office doesn't have a separate presentation on this chapter, in that we've already presented on it on June the 17th in 2015.

The Chair: — Mr. Fenwick, do you have any comments? I know the Public Accounts Committee, I believe we adjourned consideration of this chapter pending some information that we didn't have but, Mr. Fenwick, do you have some comments? Oh, Mr. McFee.

Mr. McFee: — Thanks, Madam Chair. Very clearly . . . First of all I'll introduce our executive director of corporate affairs, Drew Wilby. As stated by the auditor, last appearance in committee on June 17th, 2015, and again today, the Ministry of Justice will continue to co-operate with the Provincial Auditor's office if they choose to conduct an audit on this topic in the future. We feel we have demonstrated that by making a recommendation to cabinet through an order in council. However cabinet is not comfortable with the recommendation. The ministry supports cabinet's decision. As we understand it, they were not comfortable with giving complete access to sensitive young offender information.

So with that said, certainly we can answer any questions, but again the response is the same as it was on June 17th, 2015. Thank you.

The Chair: — Thank you. Ms. Sarauer.

Ms. Sarauer: — Thank you. I just have a couple questions so that I can be brought up to speed on this because I know it's been discussed in the past. So when was the request made to cabinet?

Mr. Wilby: — Drew Wilby, executive director of corporate affairs for the Ministry of Justice. The order in council was taken to cabinet on March the 12th, 2013.

Ms. Sarauer: — I'm just curious to know if there's any — because the makeup of the cabinet, as you know, changes from time to time — if there's any benefit to bringing the request, if the ministry has determined if there's any benefit to bringing the request back to cabinet again.

Mr. Wilby: — Of course with some, we can take things back to cabinet. That's happened in the past. I mean there's no anticipation from the ministry's perspective, you know, that the direction has changed. Of course we took the recommendation forward, and cabinet didn't believe that it was a better process to go through the court order. We agree with cabinet on that; that made sense due to the sensitive nature of those young offender files. If the auditor's office wanted to come back and work with the ministry to draft up another order in council we could entertain that conversation, but we haven't been approached by the auditor's office, to my knowledge, to do that again.

Ms. Sarauer: — Has the ministry's recommendation to cabinet changed from 2013?

Mr. Wilby: — The minister hasn't taken another recommendation forward to cabinet. So we wouldn't have had a change of recommendation in that regard, if I understand the question correctly.

Ms. Sarauer: — Thank you. I just have a question for the auditor. Is there any similar circumstance jurisdictionally in other provinces that you've encountered, that other auditors have dealt with this issue? I'm sure we're not the first; you're not the first auditor in Canada to ask for information pertaining to minors.

Ms. Ferguson: — The only other jurisdiction that we're aware of that has done work in this area is the province of Ontario and the Auditor General office in Ontario. That would have been done in really the early 2010 time frame, like probably almost a decade ago, frankly. I'm not aware of any other office doing work in this particular area.

Ms. Sarauer: — So just to clarify, was that information provided to the auditor, or did the auditor have to seek a court order?

Ms. Ferguson: — In that situation the government did give access to the audit office without seeking a court order.

Ms. Sarauer: — Okay, and I'm assuming if that happened in early 2010-ish, there hasn't been any court actions or any legal issues subsequent to that, as far as you know to your knowledge?

Ms. Ferguson: — Yes, I'm not aware of any.

Ms. Sarauer: — Okay, I'm struggling with this cabinet decision a bit. The requirement for having to go through the courts would, of course as everybody well knows, take up public dollars. And if there isn't, without looking too much into detail, but if there isn't really any jurisprudence that would support that position, I'm not too sure of the logic behind cabinet's decision. I'm not too sure what level of authority we have as committee members, so I would leave it at that.

I think this is a really important issue, and I'm sure the ministry feels that it's a very important issue in terms of ensuring that young offenders are being rehabilitated. And if we have some successes, it would be great to be able to highlight that and look at that. And if there's areas of gaps or areas of improvement,

I'm sure the ministry would relish the opportunity to have those areas improved. And so I don't really want this to die, and I'm a bit frustrated with not being able to look at this as a Public Accounts Committee member. So I'm at a bit of a loss of what to do, frankly.

The Chair: — As Public Accounts, we can ask or direct the auditor to do anything. We could ask the auditor to go back and ask the ministry. We have the capacity as a committee to do that. But Mr. Wilby does have some comments, and then maybe you can think about that a little bit, Ms. Sarauer, or a motion you might want to make.

Mr. Wilby: — Just a comment on the Ontario piece, and absolutely thank the auditor for her comments there. It was 2006 that Ontario took that forward. In addition to just the basic, you know, approvals under the order in council, there were some significant restrictions put on that. I think that's important. What the ministry here had taken forward was basically blanket approval to go in and look at all those files. So just to read into the record just what was put on the record there from Ontario was denying the access to medical, psychological, psychiatric reports on youths resulting from court-ordered assessments and others. So I just think that's an important piece of clarification.

Ms. Sarauer: — I don't know if the other committee members have thoughts before I . . .

Hon. Mr. Merriman: — Thanks, Madam Chair. I guess my question would be, when is this coming up? Is this something that the auditor will be looking at in a future audit within Justice?

Ms. Ferguson: — Currently we don't have it in our immediate work plans. You know, as you can appreciate and actually you can see with the other items that are on the agenda, our office has looked at various aspects of the correctional system, including rehabilitation of offenders. And so that at this point in time, that I guess it was 2012 and 2013, it was just a continuation of looking at, you know, that different sectors and segments of the rehabilitation aspect in the correctional facilities and the correctional system.

Hon. Mr. Merriman: — Well my personal opinion — I guess it's up to the committee — is if the auditor's comfortable with the status that it's at right now. If the auditor changes . . . if you change your opinion, Madam Auditor, and want to bring that back to the committee, then the committee could certainly have a look at it at that point, if something changes between now and whenever. But I don't see a reason for bringing it forward, but that's up to the committee.

Ms. Ferguson: — I guess what I would like to propose is, like you know, if our office wants to do work in this area, what we'll do is we'll work with the ministry. And you know, and I think maybe it's a situation that perhaps when we made the ask, we asked on a too-broad basis, you know, and we should've been asking with some restrictions around some of the items that are more sensitive. And so I think it's, you know, I really do think it's a situation that we can probably work with the officials on it. And if we hit problems again, you know, we'll be back, type of thing.

The Chair: — Ms. Sarauer?

Ms. Sarauer: — Yes, I think that would satisfy me, if you decide that that's appropriate and there's some work that's done with the ministry to see if something can be facilitated that the ministry thinks that cabinet might feel more comfortable with, and your office still feels like you're still getting the information that you need to properly conduct an audit. So as long as there's a mechanism that this comes to us again so we have an update on what your office decided to do, then I'm quite satisfied with that.

Ms. Ferguson: — What we would not do is seek the court order action because in my view that's just an inappropriate use of public resources.

The Chair: — So just to clarify though, it's currently not on your work plan. So I think if we conclude consideration today, it doesn't mean the issue dies, but it means it doesn't come back. So I would recommend that I hear some will to continue this discussion, and it's not on the auditor's work plan yet.

Ms. Sarauer: — Is it possible to adjourn discussion for a year or two — I don't know how much time would be needed — just for an update?

The Chair: — It is, and . . .

Ms. Ferguson: — What happens, you know, any time that we're denied access, we bring that back to the committee. So you know, so even if you did adjourn debate on this particular chapter, when we do the re-ask, you know, if we decide to do the re-ask and if we are denied access, we would report back to the committee. So I think either way, whichever you go, the committee will know in the long haul.

The Chair: — Okay. Is the committee . . . Oh, Mr. McFee. Sorry.

Mr. McFee: — It's okay, Madam Chair. Just in conjunction with the auditor, I'm not so sure that it needs to remain open. Certainly we are open if the auditor comes back to us to have discussions in other contexts. I think what we actually are dealing with here and looking at the Ontario case, it's quite different. And I think, as the auditor has very clearly articulated, if that's something that we want to revisit on a different basis, I think we're always open to that.

The Chair: — Thank you for that. So what I'm hearing here in terms of will is that we'll need a motion to conclude consideration on this chapter? Is that . . . a nodding of heads. Yes. Okay.

Mr. Doke: — So moved.

The Chair: — So moved. Mr. Doke has moved that for the 2013 report volume 1, chapter 18, that this committee conclude its considerations. Any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Thank you for that. On to the next

presentation. Mr. Deis.

Mr. Deis: — Chapter 15 of our 2015 report volume 2, starting on page 85, reports the results of our 2015 annual integrated audit of the Public Guardian and Trustee of Saskatchewan, PGT. Its 2015 financial statements were reliable. It complied with governing authorities and had effective rules and procedures to safeguard public resources, with one exception. On page 86 we recommend that the Public Guardian and Trustee of Saskatchewan maintain complete and accurate financial records to enable it to prepare complete and accurate financial statements.

[15:30]

During 2014-15, PGT recorded some of its financial activities using the cash basis of accounting instead of following Canadian public sector accounting standards or as we refer to it, GAAP [generally accepted accounting principles]. Contrary to GAAP, PGT did not record separately the amounts of client assets acquired and the client assets sold, nor did it determine or record the amounts of gains or losses realized on client assets it sold on behalf of families and estates. Also the 2015 financial statements did not include a statement of cash flows. This chapter notes we found individual client records were accurate and complete.

As reported in chapter 23 of our 2016 report volume 2, on page 108, PGT subsequently corrected this matter in the following year. And that concludes our overview of the chapter.

The Chair: — Thank you, Mr. Deis. Mr. Fenwick.

Mr. Fenwick: — Thank you, Madam Chair. I will be very brief but I would like to introduce Rod Crook, who is the Public Guardian and Trustee for Saskatchewan. And I would make the comment that Rod certainly does a very, very excellent job in guarding the funds of those for which he is responsible. Sometimes I think he's actually more an accountant than he is a lawyer, which is his training, and that's a compliment, Provincial Auditor. Just so you know.

We'll be very brief. As the report indicates, the Public Guardian and Trustee had reliable financial information but it needed to improve its financial recordkeeping practices. The Provincial Auditor noted this one recommendation in their 2015 volume 2 report but concluded in 2016 volume 2, chapter 23, page 108 that the recommendation had been fully implemented. In the interest of time I won't go into the specific actions taken by the Public Guardian and Trustee in order to fulfill this recommendation but we would certainly be happy to answer any questions that members of the committee might have, and would likely defer to Mr. Crook for that purpose.

The Chair: — Thank you. I'd like to open up the floor. Ms. Sarauer.

Ms. Sarauer: — Thank you. I have a question with respect to 4.2, the recommendation regarding disaster recovery. And to be fair I asked a similar question to the Ministry of Central Services earlier.

A Member: — I don't think you're on the right . . .

Ms. Sarauer: — Oh, am I on the wrong one? I thought I had it all right. So what chapter are we on?

The Chair: — Chapter 15. The Public Guardian and Trustee of Saskatchewan, report 2015 volume 2.

Ms. Sarauer: — Oh. Okay, here it is. I don't have any questions.

The Chair: — Does anybody else have any questions? Seeing none, we have one recommendation. Mr. Doke.

Mr. Doke: — Thank you, Madam Chair. In regards — I need to find where I am now — Auditor's report 2015 volume 2, chapter 15, recommendation no. 1, we would concur with the recommendation and note compliance.

The Chair: — Thank you, Mr. Doke. Mr. Doke has moved that the 2015 report volume 2, chapter 15, that this committee concur with the recommendation and note compliance. Any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. All right. Moving along here. Ms. Ferguson.

Mr. Deis: — So in this section I'm going to jointly discuss the results of our 2015 and '16 annual audits of the Ministry of Justice. Chapter 12 of our 2015 report volume 2 starts on page 71 and chapter 11 of the 2016 report volume 2 starts on page 61. And these report the results of our 2015 and '16 annual integrated audits of the ministry and its agencies and funds.

We report that the ministry, its agencies and its funds complied with the authorities governing their activities. The 2015 and '16 financial statements of the agencies and funds were reliable. The ministry and its agencies had effective rules and procedures to safeguard public resources, except the ministry IT matters that I will describe.

Our 2015 report, we made two IT-related recommendations to replace a more broad stated recommendation that we had first made in 2012.

On page 74 we recommend that the Ministry of Justice prepare and test its disaster recovery plans for its critical information technology systems. We found that the ministry did not receive reports from the Ministry of Central Services, its IT service provider, on disaster recovery requirements. Also it had not tested disaster recovery plans for its critical systems. Furthermore it had not determined how it plans to respond to the risks that Central Services may not be able to recover its critical systems and data.

Our 2016 report notes the ministry made progress on this recommendation. It had a disaster recovery plan for one of its critical IT systems, CJIMS, and had partially tested this plan. Not having a complete and tested disaster recovery plan for all of the ministry's critical IT systems increases the risk of those systems not being available when needed.

On page 74 of the 2015 report we recommend that the Ministry of Justice follow its established procedures for removing unneeded user access to its computer systems and data. We found that for the vast majority of 10 individuals we tested, the ministry did not request timely removal of unneeded access to its financial and payroll systems, nor to its network. In five instances network access was not removed until over 250 days after these individuals left the ministry's employ.

Our 2016 report notes that the ministry made progress on this recommendation. It improved its procedures to identify unneeded user access, began to review reports to identify employees no longer working for the ministry, but did not do so consistently. Also it continued not to always request timely removal of unneeded access. Unless the ministry follows its established procedures for removing unneeded access, user access, the ministry cannot ensure that only authorized individuals have access to its computer systems and data, exposing itself to the risk of loss of public money and inappropriate access to confidential information. This concludes the overview of these chapters.

The Chair: — Thank you, Mr. Deis. Mr. Fenwick.

Mr. Fenwick: — Thank you, Madam Chair. I do have some comments with respect to both of these recommendations. And I would introduce Monica Field who is to my left. Monica is our knowledgeable person about anything and everything that is IT-related within the ministry.

The first outstanding recommendation is referred to at page 74 of chapter 12 in the 2015 volume 2 report and again at page 63 of chapter 11 in the 2016 volume 2 report, relates to preparing and testing disaster recovery plans for the ministry's critical information technology systems.

The issue for us is that not preparing and testing the effectiveness of a disaster recovery plan for all of the ministry's critical IT systems certainly increases the risk that these systems might not be available when needed. The ministry has not considered its response to the risk that Central Services may not be able to recover all systems in the data centre. In other words, we worry about the things that are within our control and let others worry about the things that are within their control.

Specifically with respect to this recommendation, we consider that it has been partially implemented. We continue to work with the information technology division, known as ITD, of Central Services to develop disaster recovery plans for the three existing large systems: CJIMS, which is criminal justice information management system; the administration collection enforcement system, ACES; and the electronic prosecutions information system, EPIC. This is our newest system that has just come online across the province. These are all expected to be completed in fiscal '17-18.

For smaller systems, and we have many of them, disaster recovery plans will also be completed in fiscal 2017-18. They include Commissioner for Oaths notary public, the Office of the Residential Tenancies, and fines online. In 2018-19 the ministry will work with ITD to determine the effort, cost, and timeline to create disaster recovery plans for all other critical information technology systems.

Also the ministry's business continuity plan outlines the contingency processes and practices in place to ensure that all key areas in the ministry can deliver critical functions in the event of a system failure. The plan will also be updated in fiscal '17-18. And finally, the ministry is developing a crisis communication plan to be completed by the end of this fiscal year '16-17.

With respect to the second outstanding recommendation, found at page 74 of chapter 12 in the 2015 volume 2 report, and page 64 of chapter 11 in the 2016 volume 2 report, it relates to the timely removal of unneeded user access as referred to. The issue for us is we recognize the ministry would be exposed to the risk of inappropriate access to confidential information or loss of public money unless the ministry follows its procedures for user access removal. Unless we do that, the ministry cannot ensure only authorized individuals have access to its computer systems and data.

Again we consider this recommendation to be partially implemented, and recommend we do have more work to do. The ministry has initiated conversations with the employee service centre at the Public Service Commission to determine if they can notify the ministry of expected staff departures that come to its attention. We're trying to be more proactive. As of December 2016, the employee service centre is examining the possibility by way of a pilot project to provide this information to the ministry.

The ministry continues to utilize its internal automated process to provide notification of an employee's departure in all key areas. By the end of this fiscal year 2016-17, we will perform an internal review on the current user access removal process with a view to making necessary improvements.

So in closing I would say we are working diligently towards fulfilling these two recommendations. And again that concludes my initial remarks, but we would be happy to answer any questions.

The Chair: — Thank you, Mr. Fenwick. I'd like to open up the floor for questions. Ms. Sarauer.

Ms. Sarauer: — Thanks. I'll try this one again. Now last month there was an issue that affected quite a few different ministries, and I know that the Ministry of Justice wasn't immune to it as well. And I did talk to, we talked to the Minister of Central Services about their side of what they experienced this morning, and I'm curious to know what particular systems were affected by the crash that happened in December that are under the responsibility of the Ministry of Justice.

Mr. Fenwick: — Well I'll make an initial comment and then ask Monica to expand further. I mean the incident that happened — incident is an underappreciation of what happened — certainly affected virtually everyone across government. The two systems within our ministry that were of the greatest concern were the relationship we have with the land titles system and OPRA, the office of public registry administration. The reason that those two are so critical is both of those systems rely on first-come, first-served. So if you're registering something, for example with respect to a loan that involves your

motor vehicle, and somebody else is also trying to register with respect to that motor vehicle, our system in Saskatchewan and the office of public registry says first in gets priority. So it was absolutely crucial for us that we make sure that the order of submission of those documents was reflected.

And so what we did is we reverted to a manual process. And as a result of that, there was some time delay. But it was most important that we maintain accurate and organized records to make sure that things got registered in the order they should have, and we're absolutely confident that that happened.

The ministry-wide business continuity plan was not activated, but some individual program areas activated parts of those specific business continuity plans. Key contacts from each area within the ministry were contacted and kept informed with things like call trees, meetings. There were physical visits, etc. There was limited information provided to the ministry in regards to the length of the repairs, so our ministry staff planned for the outage to last one or two days and then planned accordingly.

I would just add one other comment as well is we had a number of staff, Monica Field and many others, who logged very significant hours in order to make sure that the work was done properly. We had people working almost 24-7. But certainly the day of the week did not matter, the time of day did not matter as our people devoted themselves to making sure that things were done right. So that's a general overview, and I would certainly invite Monica to add anything or if you have further questions.

Ms. Sarauer: — Well thank you for that. I did know that the land titles system had gone down, but I didn't realize that the ministry was still running it even though Information Services Corporation, which isn't a part of the ministry any longer, is in charge of that. Can you explain that relationship?

Mr. Fenwick: — We're not running it. ISC [Information Services Corporation of Saskatchewan] is doing that. We had a great interest in making sure that that happened, so we were, I think monitoring would probably be the best way to describe it. But we wanted to make sure that the diligence that we were engaged in with respect to OPRA was equally being followed at ISC. And it was certainly was; there's no question about that. So we just wanted to make sure that the proper steps were in place.

Ms. Sarauer: — And then the other major program that was affected — sorry, can you remind me? — was it CJIMS? Was that one affected?

Ms. Field: — Monica Field, executive director of strategic systems and innovation. Really all of our systems were impacted. And I think the thing was, within the time frame of when Central Services and their partners got the systems back up and going, all of our critical systems were up at that time. So again, one of the recommendations that we're working on was the crisis communication plan. I think one of the things was, in light of this — you know, you never prepare for a disaster quite like, you know, what it was — is looking for other ways other than email or SharePoint or the technology that we use today to continue to communicate. So it just strengthened our communication plan of how we do this in the event that

something like this happens, happens again.

[15:45]

Ms. Sarauer: — Thanks. You got to the end of what I was getting at, is that in extremely unfortunate circumstances at least the silver lining is that a lot of these recommendations could be essentially worked on and improved. Your processes could be improved after experiencing such a system … ministry-wide crash. I appreciate what you did in terms of trying to mitigate issues with respect to not being able to access the land titles system. But I am interested in, particularly in how you dealt with the court side of things because I know some of these systems are used to deal with, for example, trial scheduling and court room scheduling and docket matters. So what was impacted by this, and what did you do in those few days to try to mitigate as much as you could the impact that it was causing?

Mr. Fenwick: — I'm reminded of a cartoon that someone sent me a little while ago. And I'm sure this was not a government office but the cartoon showed a person, obviously in an office setting, sitting at her desk. She's on the phone talking to someone saying, "Yes, the systems are all down, so we're having to do everything manually." And she had a real deck of cards set out in front of her playing solitaire.

It was, I'm sure, not a government entity that was doing that, but it is indicative of essentially what happened. And that is — and I'll use the courts as an example — we still have some locations in the province where, when we're having court in a remote location we don't have access to the Internet. And so in those occasions, or in those locations, there are situations where our people do things the old-fashioned way. They do them manually. They will keep track of the data on paper, and then when they get back to the office they will enter it onto CJIMS. That's essentially what we reverted to.

It did mean duplication of work, and I know it was more than just annoying for our people because they were having to enter things twice, which is exactly what we're trying to avoid. But that's the backup. That's what we did. You know, you take out the notepad and you write the note down instead of entering it on your BlackBerry at the time. And again I credit our people for the dedication that they showed and the extra work that they put in, but that was essentially the backup plan and it worked.

Ms. Sarauer: — Were there any court delays that occurred or any slowdowns on those particular days when the system had crashed?

Ms. Field: — I'm speaking on behalf of one of my peers within court services, but again they worked hard to get their business continuity plans in place for all sorts of events to occur, not just technology related. And I don't recall any downtime or anything related to court. They just implemented what they've already been using all along in other areas.

Ms. Sarauer: — That's fantastic. That's actually a pretty phenomenal feat to be able to do that, so thank you so much for your work on this. I appreciate you answering my questions.

The Chair: — Thanks, Ms. Sarauer. Any further questions on

these two chapters? No. Seeing none, so we have the 2015 report volume 2, chapter 12, two recommendations. Mr. Doke, if you'd like to make a motion?

Mr. Doke: — Thank you, Madam Chair. In regards to the auditor's report 2015 volume 2, chapter 12, recommendations one and two, we would concur with the recommendations and note progress towards compliance.

The Chair: — Thank you, Mr. Doke. Mr. Doke has moved for the 2015 report volume 2, chapter 12, recommendations one and two that this committee concur with those recommendations and note progress to compliance. Is there any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. All right, for this next chapter we can conclude consideration. Can I have a motion to that end?

Mr. Doke: — So moved, Madam Chair.

The Chair: — Thank you, Mr. Doke. Mr. Doke has moved for the 2016 report volume 2, chapter 11 that this committee conclude its considerations. Any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. All right, we shall move on. Ms. Ferguson.

Ms. Ferguson: — Thank you very much, Madam Chair. So this is one where we're going to be packaging four chapters together into one presentation. So it's the chapters 47 to 50, all in the 2015 report volume 2. Mr. Deis.

Mr. Deis: — Chapter 47 of our 2015 report volume 2, starting on page 327, reports the results of our third follow-up on the Ministry of Justice's progress towards addressing three recommendations we first made in our 2008 audit related to the ministry's processes to rehabilitate adult inmates. At August 2015 the Ministry of Justice has made further progress but still had work to do.

The ministry focused on its improving information available to increase staff's capacity for doing timely assessments of inmates' rehabilitation needs, managing inmate caseloads, and reporting and evaluating its rehabilitation programming. It was implementing a new IT system — which we've mentioned, CJIMS — to assist in adult offender case management. It had designed reports to capture key data but had not compiled all of this data, and it was in the process of developing other reports. Relevant rehabilitation programming and knowing whether the programming works is key to help reduce repeat offences and smooth the transition of adult inmates into the community.

Chapter 48 of the 2015 report volume 2, starting on page 331, reports the results of our first follow-up on the Ministry of Justice's progress towards addressing the six recommendations from our 2012 audit related to the ministry's processes to maintain the integrity of offender data.

By August 2015, the ministry had implemented four of the six recommendations and made progress on the remaining two. Key improvements include risk-based audit plans for its annual audits on active offender files at various correctional facilities and community corrections offices; better summary reports to senior management; maintaining signed confidentiality agreements from users at CJIMS, its adult offender case management system; and encrypting CJIMS's data and keeping software up to date.

The ministry needed to do further work in the following two areas: having staff consistently follow its policy about reviewing the accuracy of offender information entered into CJIMS to reduce the magnitude of errors and risk of releasing offenders on the wrong date; removing unneeded user access to CJIMS promptly to reduce the risk of unauthorized access to offender data.

Chapter 49 of our 2015 report volume 2, starting on page 337, reports the ministry has implemented the two recommendations remaining from the 2010 audit related to the ministry's processes to manage labour costs related to absenteeism. It implemented a policy for approving and handling corrections workers' trading of shifts, and by July 31st, 2015, it better controlled and monitored changes to the work schedules of corrections workers.

Chapter 50 of our 2015 report volume 2, starting on page 341, reports the results of our second follow-up on the last remaining recommendation we initially made in our 2011 study undertaking that request of your committee. You made this request because of provisions of the *USA PATRIOT* [Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism] *Act* that may give the United States access to certain Saskatchewan government data. This act was replaced with the *USA FREEDOM* [Uniting and Strengthening America by Fulfilling Rights and Ensuring Effective Discipline Over Monitoring] *Act* that has similar provisions in this area. By September of 2015, the Ministry of Justice had not yet addressed our recommendation for it to consider changes to Saskatchewan's general access and privacy legislation to mitigate risks related to the US [United States] legislation in this area.

The ministry asked the Information and Privacy Commissioner to propose changes to Saskatchewan's general access and privacy legislation, *The Freedom of Information and Protection of Privacy Act.* However the ministry had not specifically consulted with the commissioner on risks posed by the *USA PATRIOT Act* or its successor, the *USA FREEDOM Act*, or how legislative changes could mitigate those risks. And that concludes our comments on these four chapters.

The Chair: — Thank you, Mr. Deis. Mr. McFee.

Mr. McFee: — Madam Chair, maybe for the purpose of ease and flow what I would do is I'll comment on each chapter, and if there's questions then you can ask them because we have different subject matter experts as well. So for the purpose of comments to 2015 volume 2, chapter 47, adult inmate rehabilitation, I want to introduce Dennis Cooley to my immediate left here, the associate deputy minister of custody and rehabilitation; and Doris Schnell, the executive director of offender services, to further any questions.

So as comments: as you can appreciate, matters involving inmate rehabilitation are complex, but the ministry is confident in the actions taken thus far and will be taken to ensure that these recommendations will be fully implemented.

The first outstanding recommendation found on page 328 of chapter 47 in the 2015 volume 2 report relates to assessing inmates' needs and planning relevant programs. Issue: ministry has not yet finished compiling data needed to complete this reporting process. These reports will help correctional workers to more effectively manage their caseloads so that risk assessments and case plans can be developed in a timely manner. Ministry considers recommendation partially implemented.

Ministry is implementing the CJIMS data management system, which will improve tracking. It will also identify timelines for due dates for required assessments and case plans for workers, supervisors, and management to improve accountability. That is expected to be completed during fiscal 2018. Operational changes planned over the next two fiscal years are expected to improve the timeliness of risk assessments and case plans.

The second outstanding recommendation found on page 328 of chapter 47 in the 2015 volume 2 report relates to monitoring inmates' access to rehabilitation programs and enhancing that access if required for their release to the community. Issue: this relates closely to the preceding recommendation in that the ministry needs to complete the reporting process. With the criminal justice information management system, CJIMS, introduced in 2015 — which is the adult offender case management system — reports will be needed to be developed to improve efficiency and timeliness of the reporting process. Ministry considers the recommendation partially implemented.

The ministry has purchased specialized software that can analyze information from multiple services to produce meaningful reports for management. Information is being gathered to be entered into the software for preliminary analysis and testing. The ministry expects to have all reports developed during fiscal 2017-2018.

The third outstanding recommendation found on page 329 of chapter 47 in 2015 volume 2 report relates to monitoring offending rates in relation to rehabilitation programs. The issue: monitoring these rates will assist in better evaluating its rehabilitation to its inmates. Ministry considers that recommendation partially implemented. We're continuous to adopt programs that have previously been demonstrated to reduce offending. New programs are evaluated by Corrections and Policing or by our university partners. The ministry continues to partner with the University of Saskatchewan and evaluate relationship between our female offender-specific programming and recidivism. Data has been collected over the past few years and is being entered into our specialized software for statistical analysis. Fulfilling this recommendation is partially dependent on the information to be gathered under the aforementioned recommendation.

One further note of progress: the ministry in partnership with RQHR [Regina Qu'Appelle Health Region] and the evaluation

of the DSATU, or the Dedicated Substance Abuse Treatment Unit at RCC [Regina Correctional Centre]. This consisted of examining qualitative and quantitative data. The outcome indicates that the program is effective in reducing recidivism for those who completed the program as compared to a group of inmates who were referred to the program but did not receive the treatment.

Those who completed the treatment showed a 29.3 per cent reduction in re-contact with corrections within 12 months after discharge. Therefore the ministry expects to have the recommendation implemented during 2017-2018. That concludes my remarks, and certainly we would be open to address any questions on this chapter.

The Chair: — Okay, Mr. McFee. I'd like to open up the floor. Ms. Sarauer.

Ms. Sarauer: — Thank you. I have some questions about the data management software that you've implemented. I'm curious to know specifically what type of data are you planning on tracking on this. You've mentioned a few, but I just want to make sure that we don't miss any.

Ms. Schnell: — So in terms of from a case management-specific point of view, is that what you're asking? What we would be tracking around inmates?

Ms. Sarauer: — Sure.

Ms. Schnell: — Okay. So there's a few different areas that we cover through, hopefully, automation. So one of the areas is when individuals come in, we do a risk assessment. So what we'd like to do is be able to connect that risk assessment to the programs that people actually take. It's actually one of the recommendations that the auditor provided.

So using data analytics and predictive analytics, we would be able to actually combine those two variables and then we would be able to actually track who came in with what risk factor, what program did they actually get, and then what's the percentage of those people who got the program and those people who didn't get the program. So that's one piece of it.

The other piece that we're looking to automate is prompts around case management. So we're in the process of developing a dashboard, and the dashboard won't just tell us which case management pieces are done and which case management pieces aren't done, but it can actually take us right down to the user level.

So it can be used by management to see what percentage in their facility of the case management's completed. It can be used by a supervisor to determine which correctional workers need reminders or prompts to get their work done. And then it can go right down to the individual level as well. So we can drill right down to it to see actually which files are not where they should be, so that piece is in development as well. So those are a couple of examples.

[16:00]

Ms. Sarauer: — Thank you. And just to elaborate on that. Will

the management system . . . You said that the management system will track what programs are being recommended for someone's case plan and then whether or not they've actually done those programs. Is there also a time frame tracking as well in terms of when, how long from when the inmate essentially enters the correctional facility to when they've been able to access and theoretically complete the program?

Ms. Schnell: — Yes, we'd be able to identify that. Yes, absolutely.

Ms. Sarauer: — Thank you. I guess my first question is, those risk assessments that are done when an inmate enters the facility, are those done by mental health professionals?

Ms. Schnell: — No, the risk assessments aren't. There's not a requirement for them to be done by any particular kind of professional so they're actually done by workers, the correctional workers on the floor. That's the first level of risk assessment. We have another level that's for domestic violence or sexual offending and those are done by the supervisors. The ADDPs [assistant deputy director of programs] are all trained to do that.

Ms. Sarauer: — What about access to mental health in the correctional facilities? Is the new data management software going to able to track those types of requests?

Ms. Schnell: — One of the pieces that we're building into CJIMS is an actual health screen which will include both different health issues and mental health issues so that will, yes, absolutely be able to allow us to track the mental health issues that are identified at admission, and those that are identified by psychiatry once they are already in the facility.

Ms. Sarauer: — How about requests for . . . Similarly, what about requests for medication? Will you be able to track that as well?

Ms. Schnell: — Sorry, tracked in what way?

Ms. Sarauer: — If a request is made, and then the length of time it takes, both to see a doctor, if a doctor is needed before obtaining medication, or just frankly, receiving that medication.

I guess I'm trying to . . . I've heard a few different complaints so that's what I'm trying to get around, both an individual who has a prescription already, having struggles obtaining that prescription once incarcerated. The other one, someone who feels that they may need a prescription for something, typically mental health issues, or it could be other types of issues that would require prescriptions, on the length of time it takes to be able to see a psychiatrist, to get that diagnosis, get that . . . from the mental health standpoint, get that diagnosis, get that prescription and then receive that medication.

Ms. Schnell: — Right now that's all in the system manually. So the automated system should have that built in too, to be able to track it.

Ms. Sarauer: — So that information could be provided now? That information is already being tracked?

Ms. Schnell: — It's manually in the files. So it would be on a case-by-case basis that we'd be able to, yes, find that.

Ms. Sarauer: — But is there a plan to include that in the automated system?

Ms. Schnell: — I would have to check about the timing, but I'll get back to you on that.

Ms. Sarauer: — Thank you.

Ms. Schnell: — If I can just add, previously when I was referring to the risk assessments, there's training that goes along with those risk assessments as well, so just so that you're aware.

Ms. Sarauer: — Just to clarify, it's not a mental health professional but is a correctional worker who has received some training in flagging mental health risks?

Ms. Schnell: — Yes, the risk assessments that we do, what they do is they identify the risks that are linked in the research literature to reoffending. So mental health isn't a direct link to reoffending, so just because someone has a mental health problem doesn't necessarily correlate highly with a re-offence, but there are other issues that do. So there are things like addictions does, lack of employment does, lack of education skills does, family conflict does, certainly anti-social thinking and anti-social peer groups, those sorts of things do.

So the risk assessment, it's a validated tool that's actually been shown to predict who is going to be at higher risk to recidivate. Those are the things, that's the tool that the correctional workers are trained to assess. And then the additional two risk assessments that I referenced have specific items that will predict whether or not the particular person is more likely to reoffend in terms of a sexual offence or a domestic violence offence.

So the way that mental health often gets identified in our facilities is that when someone comes in, a nurse actually does an assessment of every individual that comes in. And so the nurse actually then identifies if there's any existing diagnosis that the individual knows of or if there's any unusual behaviour or symptomatology, and then they would make the referral for psychiatry from there.

Ms. Sarauer: — Okay. So it's more so . . . Just a clarification. So when an inmate enters the correctional facility there's both the risk assessment and then there's also a required assessment by a nurse who will then go through a mental health screening, essentially?

Ms. Schnell: — Yes. And we're actually looking at adopting another, more formalized mental health screening within the next coming year.

Ms. Sarauer: — Great. So is that a mandatory thing that's happening with the nurses immediately once they enter the correctional facility?

Ms. Schnell: — Yes, the assessment?

Ms. Sarauer: — Yes.

Ms. Schnell: — Yes.

Ms. Sarauer: — Okay. Thank you.

The Chair: — Are there any further questions on this chapter? Seeing none, we'll go on to the next chapter. I know the auditor's already presented on it so, Mr. McFee, if you wanted, we'll talk about the 2015 report volume 2, chapter 48.

Mr. McFee: — Thank you, Madam Chair. In regards to 2015 volume 2, chapter 48, maintaining the integrity of offender data, we are pleased to say that the ministry considers both outstanding recommendations to be fully implemented. First outstanding recommendation, found on page 332 of chapter 48 in 2015 volume 2 report, relates to implementing process to require verification of data entry. The issue: Ministry was not following its policy in requiring supervisors and probation officers to confirm data entered into CJIMS. Consistent review of data entered into CJIMS would reduce the magnitude of errors.

Ministry considers the recommendation implemented. Community corrections management is committed. It's implementing this process across the division. Meetings with regional management and supervisors to reinforce compliance were completed in early 2016. The sentence management team now checks for compliances within the policy on all files reviewed according to their annual audit plan and reports results to management. Following the third release of CJIMS, which was in January of 2017, courts will begin entering orders directly into the application, eliminating the need for corrections to re-enter data.

The second outstanding recommendation, found on page 334 of chapter 48 in 2015 volume 2 report, relates to removing unneeded user access to CMIS [corrections management information system] on a timely basis. The issue: not removing unneeded user access promptly increases the risk that an unauthorized person could gain system access and obtain confidential information about offenders and inappropriately modify CJIMS data.

Ministry considers the recommendation implemented. Ministry received regular reports from Public Service Commission that lists the employees who no longer require network access. CJIMS staff compare the list to determine users who require deactivation. Operational support staff are now fully familiar with the layout of the reports received monthly from the Public Service Commission and processes are in place to ensure timely removal of accounts.

I want to introduce as well, Monica has been introduced but Caroline Graves is the executive director of community corrections. And certainly we would be willing to answer any questions that folks might have.

The Chair: — Thank you. I'd like to open up the floor for questions. Seeing none, we shall move on to the next chapter, which would be chapter 49 of the 2015 report volume 2.

Mr. McFee: — Comments on 2015 volume 2, chapter 49, managing labour costs related to absenteeism. Again, thank you, Madam Chair. As the report indicated, the ministry agrees

with the Provincial Auditor's conclusion that the two outstanding recommendations have been fully implemented. Certainly we are happy to address any questions the committee may have on this chapter. And I will introduce the executive director of custody service, Heather Scriver, here as well.

The Chair: — I'd like to open up the floor for questions. Seeing none, we shall move on to the next. We're an easy group to please at the moment.

Mr. McFee: — I would have brought those two up earlier if I'd . . .

The Chair: — Yes . . . We shall move on to the 2015 report volume 2, chapter 50.

Mr. Fenwick: — Thank you, Madam Chair. I would introduce, to my left, Aaron Orban who is the head of our privacy and access branch.

Referring here to the outstanding recommendation found on page 342 of chapter 50 in the 2015 volume 2 report relating to considering the benefits of consulting with Saskatchewan's Information and Privacy Commissioner on changes to Saskatchewan's general access and privacy legislation, for us the issue is that the Saskatchewan Information and Privacy Commissioner's proposals did not include specific consideration of risks posed by the *USA PATRIOT Act* or its successor, the *USA FREEDOM Act*. The ministry and the commission consider the recommendation to have been implemented. The ministry has specifically consulted with the Information and Privacy Commissioner on risks posed by the *PATRIOT Act* and its successor now known as the *FREEDOM Act*, and how legislative changes could mitigate those risks.

Bills 30 and 31 are before the legislature at the present time and are expected to be passed during the spring 2017 session. Bills 30 and 31 have, at the recommendation of the Office of Information and Privacy Commissioner, introduced a duty to protect personal information for government institutions and local authorities in Saskatchewan. This change will increase the level of legal responsibility for the protection of personal information under the control of government institutions and local authorities, and brings Saskatchewan's approach to protecting personal information in this regard consistent with the approach taken in most Canadian jurisdictions.

In addition to the duty-to-protect section, there is a new section with respect to information management service providers, provides that an information management service provider is a person that processes, stores, archives, or destroys government records, adds a provision that provides information management or information technology services for records containing personal information.

This proposed section sets out, rather, the purposes for which personal information may be disclosed and requires a government institution or local authority to enter into written agreements with respect to those institutions that protect the personal information. Those agreements must meet the requirements of the Act and the regulations and as a result we believe that the recommendations from the auditor have been fully implemented and we're happy to address any questions.

The Chair: — Thank you, Mr. Fenwick. Ms. Sarauer.

Ms. Sarauer: — Thank you, and thank you for that update. I just want to make sure that I completely understand. So does the Ministry of Justice feel that the two bills that are currently before the House adequately address any concerns that you may have had with respect to any risks from the *USA PATRIOT Act*?

Mr. Fenwick: — Yes, we do. And the rather technical references that I gave right at the end actually go, we think, above and beyond. We think they can be read together, but yes we're confident that those concerns have been addressed and think that the Provincial Auditor agrees.

Ms. Sarauer: — Great. Thank you.

The Chair: — Any further questions on this chapter? Seeing none, we have four chapters there that we can conclude considerations on. We've got all the 2015 report volume 2, we've got chapter 47, 48, 49, and 50. Could I have a motion to conclude considerations?

Mr. Doke: — So moved, Madam Chair.

The Chair: — Thank you. Mr. Doke has moved that the 2015 report volume 2, chapter 47; the 2015 report volume 2, chapter 48; the 2015 report volume 2, chapter 49; and the 2015 report volume 2, chapter 50, that this committee conclude its considerations. Any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. All right. We shall pass this off to the next chapter to Mr. Deis.

Mr. Deis: — The building partnerships to reduce crime initiative was developed to target and attempt to mitigate the root causes of crime through coordinated efforts of local human services agencies who participated in a human mobilization hub — and I'll refer to those as CMHs [community mobilization hub] — on a voluntary basis. Local agencies have volunteered in the initiative, including school divisions, police services, officials from the Ministry of Social Services, and the Ministry of Health located within those communities. Figure 3 on page 102 of this report shows the key components and structure of the initiative in January 2016.

Chapter 10 of the 2016 report volume 1, starting on page 99, reports the results of our audit of the Ministry of Justice's processes to lead the building partnerships to reduce crime initiative. We found that the ministry did not have effective processes and made four recommendations. After I state the recommendation, I'll explain why we made it.

[16:15]

On page 106 we recommend the Ministry of Justice confirm agencies who decide to participate in a community mobilization hub accept and understand their roles within the building partnerships initiative. Community mobilization hubs are to facilitate early interventions to individuals and families with acutely elevated risks. In February of 2016, 12 mobilization

hubs existed. Local agencies participate on a voluntary basis and their participation can vary from community to community depending on the community's needs. The ministry refers to them as participating agencies.

Various members of the Prince Albert centre of responsibility and mobilization hubs expressed their desire for a clear definition of their roles within the CMH and additional support from the ministry. They noted that while they were familiar with the expectations of their agencies, they did not always understand their role at hub meetings and were unsure of the overall goals of the building partnerships initiatives.

Although the ministry expected participating agencies of each mobilization hub to sign a memorandum of understanding, or MOU, we found that not all mobilization hubs had signed these. The ministry had thought signing the MOUs would show participating agencies each understood and accepted their responsibilities related to their mobilization hub. Also although the ministry had expected each participating agency of a mobilization hub would determine what was specifically expected of its members, we found that only one mobilization hub had actually done so. Also for that hub, its expectations of the time frame to conclude a hub discussion conflicted with the expected response time set out in its signed MOU.

Not confirming whether participating agencies of CMHs have signed MOUs in place increases the risk that agencies may not have accepted or understood the purpose of a CMH. This also increases the risk of not timely connecting acutely elevated risk individuals or families to the necessary services and not addressing the root cause of crime.

On page 110 we recommend that the Ministry of Justice provide additional direction and tools to support members of the centre of responsibility and community mobilization hubs. While the ministry provided direction and tools and periodically met with its steering committees of the various mobilization hubs, mobilization hub members found that information was not sufficiently accessible, and they did not feel connected with the ministry or sufficiently equipped to make a difference. For example they found the ministry-supplied procedures and information-sharing guidelines were not readily available. Not all participating agencies use the ministry-supplied e-learning as they found it was only useful for new members and not for existing members.

They were supportive of the October 2014 symposium that brought together members of the various mobilization hubs. The symposium gave them an opportunity to discuss the complexity of the situations and to share insights and solutions. For the building partnerships initiative to make a difference in reducing crime in Saskatchewan, the ministry needs the support of multiple agencies within communities that are willing to work together. Having members feel they do not receive sufficient direction and tools may result in reduced community engagement and overall support of the building partnerships initiative.

On page 108 we recommend that the Ministry of Justice identify how to measure the success of the building partnerships initiative. On page 111 we recommend that the Ministry of Justice, in collaboration with the centre of responsibility and

community mobilization hubs analyze and report on the success of the building partnerships initiative.

The ministry had not determined how to measure the initiative's success. At January of 2016 which was the time of our audit, the ministry was in the process of reviewing and updating the building partnerships initiative. The building partnerships database captured depersonalized information about the number and nature of connections to services, but it did not contain information to help determine whether faster services made a difference. Many community mobilization hub members indicated they could not identify individuals who are repeatingly referred to the hub. Current privacy information restricts their access to this information. Such information would help them assess the medium- to long-term impact on the services provided to those individuals. Also it would further help determine whether the initiative is addressing some of the root causes of crime.

The ministry recognized, because of constraints around privacy, it could not collect information for participating agencies, for example from school divisions or police services, about the impact that the hub is having on individuals or their families. Measuring overall success would support the ministry's goal of increasing community safety and addressing the root causes of crime. Also without this information, the ministry cannot determine the value of the participating agencies and resources involved in the building partnerships initiatives both provincially and locally. Also collaborating to develop a process to analyze results will assist in consistent analysis and reporting of building partnerships initiatives and results. That concludes our comments.

The Chair: — Thank you, Mr. Deis. Mr. McFee, do you have some comments on this chapter?

Mr. McFee: — I do. Thank you, Madam Chair. First let me introduce my assistant deputy minister, Ron Anderson, to my immediate left, of outcomes and corporate supports; and Gina Alexander, our executive director of strategic engagement.

So in relation to volume 1, chapter 10, our goal is to build safer communities. The building partnerships to reduce crime, BPRC initiative, targets and attempts to mitigate the root causes of crime through coordinated efforts of local human service agencies. As you can appreciate, there are a lot of moving parts in this initiative and such as this, but we continue to see positive outcomes.

The Provincial Auditor noted four recommendations in her report. Recommendation 1 found on page 106 of chapter 10, 2016 volume 1 report related to the agencies participating in community mobilization hubs not understanding their roles within BPRC initiative. The issue was "Not confirming participating agencies acceptance and understanding of expectations increases the risk of not timely connecting acutely-elevated risk individuals or families to necessary services . . . Participating agencies may also be less engaged in their . . . [hub]."

Ministry considers the recommendation partially implemented. BPRC will resume work on a service capacity assessment document to assist communities in the hub model in deciding

whether the Sask hub model is appropriate. BPRC has increased its staff from one to three with the addition of an executive director and one community consultant in 2016 to better accommodate the need, more frequent and informative contact with hub steering committees and hub tables.

BPRC will assist the information sharing issues working group in the creation of additional policy for ministries participating at hub tables as well as education policy, once completed. The information sharing issues working group has created an information sharing agreement template that all hub tables will have to incorporate pursuant to regulation amendments of *The Freedom of Information and Protection of Privacy Act*, *The Local Authority Freedom of Information and Protection of Privacy Act* — so FOIP and LAFOIP — as well as HIPA [*The Health Information Protection Act*] and as well as the youth detoxification and stabilization Act or the YDDSA [*The Youth Drug Detoxification and Stabilization Act*]. The ministry expects its recommendation to be implemented by the end of 2017-18.

Recommendation 2 found on page 108 in chapter 10 of the 2016 volume 1 report relates to identifying how to measure the success of the BP [building partnerships] initiative. Without determining how to measure the success of the BPRC initiative, the ministry cannot make adjustments to the hub model, understand if the initiative is making a difference on addressing the root causes of crime, and report the success of the initiative.

Ministry considers the recommendation partially implemented. Revisions to the hub database are in progress and will incorporate successive metrics. Further revisions of the hub database will be explored in consultation with the information sharing issues working group for greater examination into hub performance.

New measures or metrics will be explored for quantitative analysis of success in the building partnerships initiative. Analysis into the dynamic between risk-focused, evidence-based early intervention and follow-up case management will become part of the medium- to long-term impact on services provided to clients. The ministry expects this recommendation to be implemented by the end of 2017-18.

Recommendation 3, found page 110 of chapter 10 in the 2016 volume 1 report, relates to the ministry providing additional direction and tools to support members of CORs [centre of responsibility] and hubs. The issue is, having members feel that they do not receive sufficient support from the ministry may result in reduced community engagement and overall support for the initiative. The ministry considers the recommendation partially implemented.

BPRC has increased its staffing number from one director, as mentioned, to one executive director, one director, and one community consultant, as stated. BPRC continues to monitor e-learning completion and has identified course completion as a performance target. Completion as of October 2016 is at 96 per cent with a newly created continuous intake cohort of new hub participants. A hub community of practice symposium will be held once a year in the beginning of 2018 fiscal year. An invitation to bring Saskatchewan hub chairpersons for a half-day meeting was extended in October 2016. BPRC will

coordinate and will continue to participate in the information sharing issues working group and continue to clarify information, sharing the authorities among hub members. Ministry expects this recommendation to be implemented by the end of 2017-18.

Recommendation 4, found on page 111 of chapter 10, 2016 volume 1, relates to analyzing and reporting on the success of the BPRC initiative. The issue is, collaborating with participating agencies to develop consistent processes to analyze results will allow for better decision making and address systemic issues. The ministry considers the recommendation partially implemented. Beginning April 2016, work was resumed into the revision of the centre of responsibility, or the COR, with consideration of the conclusions and recommendations from the BPRC program review crossroads project and hub privacy impact assessment.

COR revision will include identification of hub analysis that will be beneficial and considerate of potential privacy infringement. New measures or metrics will be explored for quantitative analysis of success in the building partnerships initiative, and we expect this to be completed in fiscal 2017-18. That concludes my comments, and certainly we'd be open to any questions.

The Chair: — Thank you, Mr. McFee. Ms. Sarauer.

Ms. Sarauer: — Thank you, and thank you for those comments. I just have a few questions. It was mentioned in the auditor's report that there was an executive steering committee for the building partnerships initiative in 2010, and as of 2013 it was no longer functioning. Has that committee been disbanded?

Mr. Anderson: — Ron Anderson again. The auditor's report references the executive steering committee that was established across the ministries from the deputy minister level and the chiefs of police of the SACP [Saskatchewan Association of Chiefs of Police] around the establishment of the overall charter itself, not necessarily around the hub model or those pieces. It speaks to that overall BPRC strategy document that was released in 2011.

There is work around the go-forward plan around the building partnerships to reduce crime in the overall strategy. At this point, that steering committee is being reconsidered, or how it's going to look for a broader perspective around some of the issues we deal with within this and the aspects of things other than just crime. So certainly that is one of the items that we've noted in the auditor's report, which we also take under consideration in the go-forward. At present, they haven't met in the last . . . and the membership would have changed in that period of time between 2013 and now. So that's part of the consideration for the go-forward from the branch level.

Ms. Sarauer: — All right, thank you. It was also mentioned in the report that the centre of responsibility that's currently functioning has submitted research papers on systemic issues. Could you provide us a little bit more detail on the work that they've done and whether or not that's accessible to the public?

Mr. Anderson: — Yes, there's been a number of pieces coming through the COR. Specifically some of the governance

around the COR has been how those research pieces of paper — and that's one of the things the auditor's report actually identified — how those pieces of work are released. The governance of the COR itself in Prince Albert is actually a regional governance body, which we have a member that sits on that. So how that is released to the public or how that goes out is actually a consideration for that steering committee itself, and we are working with them, along with the IISIWG [inter-ministerial information sharing issues working group] group around how those pieces of document are shared. Part of that is how each agency approves the release of that information from the COR level.

So they have done a number of things regarding youth detoxification, a lot of work with alcohol in the Prince Albert region, and some work with the northern alcohol strategy as well. They've done a number of pieces. Presently they're looking at some things with regards to the food bank and addressing food risk needs in the region, those types of work. They have looked at intoxicated persons in the emergency rooms and in police cell blocks, for example, in the region. Some of those pieces, the dissemination of those isn't up to the branch from the ministry itself; it's up to the steering committee from the COR. So that is an ongoing piece of discussion on how that will be formalized, particularly when there's more documents coming out.

A lot of the work from the COR in the initial time frame was around the establishment of the four-filter privacy approach. And those are all publicly shareable documents which have been shared during the audit as well and are accessible on the website for both the Prince Albert COR and the building partnerships to reduce crime. That was the primary piece of work that came out of the COR over the first year of its establishment. Subsequent pieces of work have been shared to the COR steering committee, and the actions that are taken in that region or under those documents are the purview of the COR steering committee — more so than our branch itself — to direct out what actions are taken from those or how they're disseminated from there.

[16:30]

Ms. Sarauer: — So just so that I understand, for example, you've mentioned a few different papers that have been produced. Let's just talk about the food bank one as an example.

Mr. Anderson: — Yes. That's an ongoing piece of work presently. It's not a finished document in itself.

Ms. Sarauer: — Oh, okay. Let's theoretically talk about one that's already finished. It's up to the COR to decide whether or not that document becomes public?

Mr. Anderson: — The way the COR structure works is that they propose recommended pieces of work to their steering committee or to the governance committee of the COR. The COR steering committee then approves the work plan for those pieces of work to be done. And the documents are worked on within, under the direction of the executive director, and then those are returned back to the COR steering committee for their consideration.

Actions taken on those items, sometimes they recommend action. Sometimes it's, here's an information item with regards to the situation. The COR steering committee would decide, executive steering committee would decide the actions to be taken on them. We receive a copy of those pieces of work from the branch perspective as well on most . . . on some occasions. Sometimes we have not, actually.

Ms. Sarauer: — Okay. But you are able to monitor the work that the COR is doing even when you're not provided with a finished document?

Mr. Anderson: — We do have a seat on the steering committee level, yes.

Ms. Sarauer: — Right. Okay. Okay, thank you. It's clear from the auditor's report that when they had spoken with members of hubs that are already in existence, that there were some strong feelings that additional support from the ministry was needed, in particular to ensure that everybody was understanding of the goals of the hub and what their particular functions and powers were. Can you elaborate — and I know you've spoken a bit, Mr. McFee's spoken a little bit about it — but can you elaborate a little bit more on what's been done to address these concerns?

Mr. Anderson: — I'll address some of them and I'll pass them to Gina to my left here as well. At the time of the provincial audit there was actually a lot of activity around some of the very same topics that the auditor has recommended in her report there that we had been looking at: for example, the online training and strengthening that process. Recommendations around changes to the privacy regulations for information sharing in the MOU, for example, is another piece that we were already considering at that time. A lot of the work the Provincial Auditor's presented with us helped inform the direction that we took on many of those pieces, both with how we engage the communities and the pieces of work that we needed to provide them to support that effort.

So that's my description of what we were doing in the branch as well as the subsequent work we've been doing overall. I'll pass it to Gina Alexander to my left here to speak to the actual community interaction pieces and then the materials that have been provided since that time.

Ms. Alexander: — So our team was up and running again; as of about September 1st we were fully functional. And as of September 1st, from then until the end of December we have visited, at least two of us of the three have visited, all of the hub steering committee tables and the hub tables and also the steering committee tables.

In those visits we've had, and those were right in their own locations, we were discussing roles and responsibilities for mobilizing their respective human services entities. We're reminding them about the vision for assisting vulnerable populations in the various communities. We were telling them that they're part of this bigger system; they're not just working in isolation, that they're part of this bigger system. And in addition to there being 12 hubs in 13 locations in Saskatchewan, there's also about 65 hubs in Ontario. So there's again just about a bigger piece of what's happening around hub tables nationally.

We were also reinforcing the successful work that's occurring in the province at these tables. Some incredible work is happening here, and some of the things that we've been hearing from some of the folks who are directly at the table or on the steering committee has been quite enlightening and quite encouraging in terms of their experiences.

In addition to those individual meetings, we brought the hub steering committee folk together in October. We had 10 out of 12 communities represented at that meeting where we talked about hub operations. We talked about governance. We talked about privacy concerns, which that was a consistent concern across those folks that were represented there. And in two days, in Saskatoon, we're going to be bringing the hub Chairs together, and we'll be talking about some of the same issues again with them.

Ms. Sarauer: — It was mentioned in the auditor's report that there were plans for a symposium. Are those the meetings that you're talking about right now?

Mr. Anderson: — No, these particular meetings were to address the local, you know, particular concerns around the steering committees as well as the Chairs themselves.

The symposium is a larger piece that requires some significant planning to put together. We are actually looking at the symposium probably after the end of this fiscal, which will be the next fiscal year. And we will most likely be working with potentially Ontario or other provinces to how we want to go about doing that because we can learn from others as well through this process . . . [inaudible interjection] . . . Yes, there's 88 hubs across Canada, so we would be most likely reaching out to them as part of the planning process.

We have put some initial thoughts together on it will be a full-day session and some of the materials we want to cover and some of the challenges we've identified through the discussions with the different communities about, how do we address those issues? How do we improve the measures and those other pieces?

On the measurement side of things, just to continue, there's a symposium in Ontario in a week from now around, specifically around the measurement of situation tables and hub tables that we'll be taking part in to help learn from what Ontario is learning and how they're approaching it to try and address some of the other items that were mentioned in the auditor's report as well.

Ms. Sarauer: — Thank you. One of the criticisms of the hub model that's been shared with me a few times is that although it does a great job of identifying those in the community who are of high needs, occasionally there's a struggle in terms of connecting then that individual to the community-based program that's required or several programs that's required for that individual, either because the program doesn't exist in the community or the wait-list is too long. Are these concerns that you've also heard in your discussions with the hubs?

Mr. Anderson: — Yes. You know, certainly the resources available in the communities are a limiting factor to the responses you can take; that is, you know, obviously the hubs are based around the agencies that are available in the community and how they work together. The hub itself, the purpose and, you know, for me the optimum measurement of success for the hub is, were we able to connect with the individual to the services they require to address the immediate situation or risk?

You know, what we can say is that of the folks that do receive an intervention, in the last fiscal year we're looking at 57 per cent of them were connected to the services they required. Another 30 per cent were informed of the services and chose to not take part in those services because people have the right to refuse unless it's a legal issue or some mandate issue. Another 8 per cent were categorized as other; so they're yes, a little bit, not really connected. And then there are some that just flat out refuse the services. So we do have 5 per cent that refuse the services.

Ms. Sarauer: — Okay. Are you able to track those who request the service but aren't able to get it?

Mr. Anderson: — So that's one of the measurements that in the next generation of the database that was spoken to by the deputy minister, that's one of the items that we built into the database scheme already, is which services in that community are available, which services are recommended, and which services are they actually connected to. Because presently what we track is the connection to services. We don't track the connection to particular services, and that of course is an important piece to help inform the delivery in the areas.

Ms. Sarauer: — For sure. And the time frame as well for being able to access those services would also be important, especially for individuals that the hub would be particularly dealing with.

Mr. Anderson: — And that's where we work at the steering committee level because they're responsible for the resourcing and the availability of those different services in the area.

Ms. Sarauer: — Absolutely. Thank you. I noticed under 4.3 there was a discussion about an external consultant that was hired to do a review of the program in the fall of 2015. Has that report been completed, and if so will it be released, or do you know when it will be released?

Mr. Anderson: — So we had a combined number of different things going on at the time. We had a program review from internal. And we also had a consultant with the ministry who's has been with the ministry and part of the building partnerships to reduce crime to play an observational role as well in that process. A final report per se wasn't prepared because a lot of that material has been incorporated into the program review itself. And then at the same time, we also had the Provincial Auditor's activity actually right on the heels of some of that work as well.

So we had in some respects all three of those things put together. The program review and the work from the consultant were more or less one document. So the results of the work from the consultant would be reflected in the program review recommendations as well.

On the matter of the measurement piece that was asked about as well, there have been, since the auditor's report, some pieces of qualitative work come out from universities, Ontario as well as Saskatchewan based. And there has been a recent report as well from the University of Regina with some quantitative data. That was a graduate student put the work in.

So some of the findings with regards to quantitative, this was done based on Murray Sawatzky's thesis, October 2016. That report lists . . . The material used is based on police data that's available. Had all police activity regarding crime been factored into the analysis, it is plausible the savings would have been greater. He puts in a value in his report, his findings, a value of $5.4 million to the Prince Albert region in savings over the four-year time frame. That's a publicly available report that's been gone through the thesis process at the university. So there are quantitative pieces starting to come out. As the initiative was relatively new at the time and access to the data has been sometimes problematically of privacy regulations, we're starting to see some of these come, and we'd like to encourage a lot more of this type of work, clearly.

Ms. Sarauer: — Thank you.

The Chair: — Thank you, Ms. Sarauer. Any further questions on this chapter? Seeing none, we have four recommendations with which we need to deal. Could I have a motion with respect to . . . Mr. Doke.

Mr. Doke: — Thank you, Madam Chair. In regards to the auditor's report 2016 report volume 1, chapter 10, recommendations 1, 2, 3, and 4, we concur with the recommendations and note progress towards compliance.

The Chair: — Thank you, Mr. Doke. Mr. Doke has moved for the 2016 report, volume 1 chapter 10, recommendations 1, 2, 3, and 4 that this committee concur with those recommendations and note progress to compliance. Any further discussion? Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. All right. I shall pass it off to Ms. Ferguson.

Ms. Ferguson: — Thank you, Madam Chair. What we're going to is combine the presentation for the remaining three chapters. So with that, I'll turn it over to Mr. Deis.

Mr. Deis: — Chapter 27 of our 2016 report volume 1, starting on page 273, reports the Ministry of Justice along with the Saskatchewan Police Commission implemented the four recommendations we first made in our 2011 audit on the ministry's processes to monitor municipal policing.

By February 2016 the ministry and the commission signed an operational memorandum of understanding, an MOU. The MOU outlines the respective roles and responsibilities of each party and describes a strategic direction for monitoring municipal policing and key initiatives to support that direction. The ministry and the commission were working together to forecast the commission's expenses for the upcoming year and future three years so the commission had adequate resources to

fulfill its mandate. Also the commission hired a compliance officer responsible for assessing policing services' compliance with established policies, standards, and legislation, in alignment with best practices.

Chapter 39 of our 2016 report volume 2, starting on page 269, reports the results of our second follow-up of the Ministry of Justice's progress towards addressing three recommendations remaining from our 2012 audit related to the ministry's processes to enforce maintenance payments. By September 2016 the ministry implemented one of the three recommendations and continued development of a monitoring report from its new computer system to implement the two remaining recommendations.

The ministry had developed a standard that requires maintenance enforcement officers to review a monitoring report every two months to actively monitor and enforce payers' compliance with payment terms. At September 2016 it had not taken steps to confirm the accuracy and currency of information of maintenance payers who are not on social assistance. It planned to use a monitoring report which was under development to do so. In addition the ministry was planning to develop a report to help its officers monitor outstanding support payments from maintenance payers.

In 2015-16 the Ministry of Justice paid about $174 million for RCMP [Royal Canadian Mounted Police] policing services under a 20-year agreement. I've just moved on to the last chapter now. Chapter 40 of our 2016 volume 2, starting on page 273, reports the Ministry of Justice implemented the last recommendation from the 2009 audit relating the ministry's processes to monitor provincial policing services delivered by the RCMP.

By September of 2016 the ministry had implemented a process to verify the costs charged by the RCMP that provincial policing services were adequate. And that's our comments.

The Chair: — Thank you, Mr. Deis. Mr. Fenwick or Mr. McFee.

[16:45]

Mr. McFee: — Thank you, Madam Chair. In regards to volume 1, chapter 27, monitoring municipal policing, I just want to introduce, to our immediate left here, Rick Peach is the executive director of the Saskatchewan Police Commission. And as the report indicated, the commission and the ministry have now fully implemented all outstanding recommendations. In the interests of time, I won't go into the actions of the commission and the ministry to fulfill these recommendations. Instead we'd certainly be willing to answer any questions you might have.

The Chair: — I'd like to open up the floor for questions. No, seeing none, we shall move on to the next chapter.

Mr. Fenwick: — It's my pleasure to talk about the maintenance enforcement office recommendations. They're found at page 270 of chapter 39 in the 2016 volume 2 report. And I'd like to introduce Lionel McNabb who is the director of the maintenance enforcement office.

This recommendation relates to keeping up-to-date information for the maintenance enforcement clients or on behalf of the maintenance enforcement clients. The issue for us is that previously a report did not exist to monitor files where the maintenance payer is not on social assistance. We're so close to having this fully completed, a couple of months off. We believe we will be fully compliant by the end of this fiscal year, but at this point we would say it has been partially implemented.

The maintenance enforcement office has finalized an accounts receivable detailed report that lists all files or cases and their status for every caseload. All payer social assistance files have been moved to a separate caseload. A review of this report would include those files and would be used in conjunction with the master case list that shows "payer on social assistance," is the term that's utilized. And as I mentioned the ministry expects to have this fully implemented by March 31st.

The second outstanding recommendation is that found on page 271 of chapter 39 in the 2016 volume 2 report. It relates to reviewing reports regarding outstanding maintenance support payments. The issue here is that a report previously did not exist to monitor outstanding support payments. And again, although we expect to have it completed by the end of this fiscal year, at this point we would suggest that it is still partially implemented.

The support payment compliance report has been developed. It has been tested and it was put in production on December 14th of 2016. It will be provided to officers monthly. The report will not show how long the amount has been outstanding; rather, enforcement action against payers is based on total amount owing and whether regular payments are being received, not on how long the arrears have been outstanding.

We're happy to address any questions that members of the committee may have.

The Chair: — Ms. Sarauer.

Ms. Sarauer: — Thank you. And thank you for your explanation of the work done on the recommendations. I have a few questions about the process within the maintenance enforcement office for dealing with delinquent payers. And I suppose my first question is whether or not the implementation work that you've done so far on these recommendations, has that had an impact on the procedure within the maintenance enforcement office in terms of dealing with delinquent payers, aside from providing reports?

Mr. Fenwick: — I'll defer to Lionel McNabb, our director, for those specifics.

Mr. McNabb: — Thank you, and I will start off by thanking the auditor for in the report they noted twice that we had one of the highest collection rates in the country. And also that they had no concerns over how we handle the over $44 million. My staff really appreciate that, so thank you for that.

This report will help officers because what it shows is the people that haven't paid in the month, so at the end of the month when they review the report — and they each have about 450 files — they'll be able to say, okay these 50 didn't pay, or

they did pay. I guess it would be the other way: if it's 50 that didn't pay, 400 have paid. So that will help them, and then from there they'll make choices on the types of enforcement they need to follow up with the payer and to try to get the money in.

Ms. Sarauer: — So how is that process working right now? Are secondary procedures for obtaining that money done only at the request of a payee if they lodge a complaint? Or how are you flagging those right now?

Mr. McNabb: — Most of the officers actually run a separate Excel program that they track certain files where they know that there's going to be challenges. But this will make it much better for them. It is only done at the end of the month, and we do get lots of — I'm sure, as most of the MLAs here because we deal with their offices quite regularly — the custodial parent quite regularly contacts them or us saying, where is my payment? So we get the best of both worlds perhaps. We get information from different sources.

Ms. Sarauer: — Thank you. I have no other questions.

The Chair: — Thank you, Ms. Sarauer, and Mr. McNabb. The next chapter, chapter 40.

Mr. McFee: — Thank you, Madam Chair. It was reported . . . I will first of all introduce my ADM, assistant deputy minister Dale Larsen of policing and community safety branch. As the report indicated, the ministry agrees with the Provincial Auditor's conclusion that the sole outstanding recommendation has been fully implemented. And certainly we're more than willing to answer questions that there might be on this matter.

The Chair: — Any questions on this particular chapter, chapter 40? No. Seeing none, no. So we have three chapters here to which we can conclude considerations. Could I have a motion to that effect?

Mr. Doke: — So moved, Madam Chair.

The Chair: — Okay, thank you, Mr. Doke. Mr. Doke has moved that for the 2016 report volume 1, chapter 27; the 2016 report volume 2, chapter 39; the 2016 report volume 2, chapter 40, that this committee conclude its considerations. Is there any further discussion? No. Seeing none, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Well that concludes our business for the day. Thank you to Mr. Fenwick, Mr. McFee, and all your officials here today for your time. We really appreciate it. And to the Provincial Auditor and to the comptroller's office and my colleagues, thank you. And could I have a motion to adjourn? Mr. Merriman. All right, this committee stands adjourned until 10 a.m. tomorrow morning. Thank you.

[The committee adjourned at 16:52.]