

# STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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# Legislative Assembly of Saskatchewan

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### STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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> Chris Beaudry Kelvington-Wadena

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Hon. Lori Carr Estevan-Big Muddy

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> Jordan McPhail Cumberland

## STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES April 15, 2025

[The committee met at 19:29.]

Chair Steele: — Okay, I'd like to welcome everyone here tonight. I'm Doug Steele, the Chair. Chris Beaudry will be joining us shortly. Terri Bromm; Hon. Lori Carr; Don McBean; sitting in for Jordan McPhail is Matt Love. Did we get a sheet from you, Matt? Yes. Okay, thank you. And Erika Ritchie.

[19:30]

Okay, consideration of estimates. Today the committee will be considering the 2025-26 estimates and 2024-25 supplementary estimates no. 2 for vote 13, SaskBuilds and Procurement, and the 2025-26 estimates for vote 86, SaskBuilds Corporation.

#### General Revenue Fund SaskBuilds and Procurement Vote 13

#### Subvote (SP01)

Chair Steele: — We will begin with vote 13, SaskBuilds and Procurement, central management and services, subvote (SP01). Minister Marit is here with his officials. I will remind officials to identify themselves before you speak and not to touch the mikes. The Hansard operator will turn the mike on when you will be speaking.

Minister Marit, please make your opening comments and introduce your officials.

Hon. David Marit: — Thank you, Mr. Chair. I'm pleased to present the estimates for the Ministry of SaskBuilds and Procurement for the 2025-2026 season. Joining me here today obviously is my deputy minister, Rebecca Carter; assistant deputy minister of corporate strategy and services, Jill Zimmer; assistant deputy minister of infrastructure design and delivery, Sara Nichols; assistant deputy minister of operations and service delivery, Patrick Coulthard; assistant deputy minister of enterprise business modernization project, Brittany Csada; acting chief procurement officer and assistant deputy minister of procurement and management, Maire Coulthard; acting chief information officer and assistant deputy minister of information technology, David Boehm; executive director of GEM [government enterprise management] sustainment, Blake Fleischhaker, way back there; and acting executive director of IT [information technology] enterprise and project oversight, Tyra Dorosh; Hera Kang — I hope I got that right here — the executive director of corporate services; and obviously my chief of staff, James Cherewyk, is here with me.

Mr. Chair, this is my first year presenting the estimates for our ministry, and I'd like to thank the folks here with me today as well as their teams for the tremendous work SaskBuilds and Procurement does. SaskBuilds and Procurement is where infrastructure and centralized services meet to support government in advancing its growth agenda, which means it plays a unique role in supporting the investments made through this year's budget.

The ministry provides central coordination and delivery of property management, information technology, procurement, project management, transportation, and other support services to government ministries and agencies. In collaboration with SaskBuilds Corporation and other ministries, SaskBuilds and Procurement integrates and focuses on infrastructure planning, alternative project delivery models, and best-in-class contract oversight to maximize value for taxpayers.

Since becoming the Minister of SaskBuilds and Procurement last November, I've learned how important it is to have a single organization in government to bring these functions together. For example, consider one of the most important things any government can do: build infrastructure. Every school, hospital, health centre, and long-term care centre that we fund requires planning, design, procurement, construction, and commissioning before it can open to serve the community it's built in.

The Ministry of SaskBuilds and Procurement is involved at every stage, and that ensures continuity throughout each project's life cycle. SaskBuilds and Procurement plays a very important role in delivering the essential infrastructure that Saskatchewan people need.

Budget 2025-26 is delivering the largest total capital budget in Saskatchewan history at \$4.6 billion. Funding from this year's budget will invest in capital projects throughout the province to deliver important infrastructure for Saskatchewan families and communities. This includes nearly \$1.9 billion in capital projects across executive government and nearly \$2.8 billion in capital projects by the province's commercial Crown corporations.

I am pleased to inform the committee that thanks to this government's continued investment in infrastructure, we are on track to meet our growth plan goal of investing \$30 billion by 2030 to serve the growing infrastructure needs of this great province. The Ministry of SaskBuilds and Procurement not only coordinates the capital planning for executive government, but the ministry also leads the planning and delivery of important projects in several sectors in collaboration with other ministries and sector partners.

The first of these sectors is health. This year's budget includes the largest investment ever in health capital, at more than \$656.9 million. This represents an increase of just over \$140 million compared to the previous year. This record investment will support a number of major projects including 322.4 million for construction of the Prince Albert Victoria Hospital redevelopment project, 24.4 million for construction of the Weyburn General Hospital replacement project, 33.8 million for construction of the La Ronge long-term care project, \$40 million to complete design and begin construction on the Regina long-term care specialized beds project, and \$10 million for construction of the Grenfell long-term care project.

The Ministry of SaskBuilds and Procurement is responsible for the planning, design, and delivery of major health infrastructure projects on behalf of the Government of Saskatchewan and works in collaboration with partners to deliver a strong quality of life in Saskatchewan communities.

The next sector I'd like to highlight for the committee is the education sector, where this year's budget is investing \$191.3 million in school infrastructure. This includes

\$140 million to support ongoing projects including 21 new or consolidated schools and three major renovations in Balgonie, Regina, and Swift Current; 28.5 million for the relocatable classroom program to support enrolment growth; 15.3 million for minor capital renewal projects that allow school divisions to address structural repairs and renovations to prolong the life of schools across the province; and 7.5 million in funding to begin preplanning for one new replacement school and four new schools.

SaskBuilds and Procurement is proud of its role in completing construction of four new school projects in the '24-25 fiscal year, including the new Ducharme School in La Loche, a new francophone school in Regina, a new K to 12 [kindergarten to grade 12] school in Carrot River, and the completion of renovations at John Paul II in North Battleford. We will continue to deliver important education infrastructure this year and in the years ahead.

This year's budget also invests 41 million in post-secondary infrastructure. This includes 24.6 million for maintenance and upgrades to help meet the needs of students and staff; 7 million to support new domestic health care training programs, occupational therapy, and speech-language pathology; 5.6 million for future expansion in health care training programs; 2 million for planning work for the new Saskatchewan Polytechnic Joseph A. Remai Saskatoon campus; and a million dollars for the Carlton Trail College trades building expansion; and 720,000 for planning future initiatives.

Funding of 292.9 million in government services infrastructure was also announced in this year's budget. This investment includes 73.9 million in various water-related infrastructure projects delivered by the Water Security Agency; 24.6 million for courts and correctional facilities and equipment delivered by the Ministry of SaskBuilds and Procurement; 14.2 million for Saskatchewan Housing Authority to repair and renovate provincially owned housing and develop new supportive housing units with third-party organizations; and 12.5 million for capital projects throughout the parks system to improve visitor experience, including the completion of a new service centre at Nut Point Campground in Lac La Ronge Provincial Park, new backcountry camping sites at Moose Mountain Provincial Park, and improvements and upgrades at Narrow Hills, Makwa Lake, Buffalo Pound, Greenwater Lake, and Danielson provincial parks.

The 2025-26 budget invests 435.7 million in transportation infrastructure to be delivered by the Ministry of Highways, providing 421 million to improve more than 1000 kilometres of Saskatchewan provincial highway network. This includes continued construction and design of passing lanes and twinning projects to increase safety and improve traffic flow as well as repairing or rebuilding 18 bridges and more than 100 culverts around the province.

This year's budget provides 14.3 million in capital funding to support economic growth and safety through partnerships with rural and urban municipalities. The 2025-26 budget also provides 249.9 million in transfers to municipalities for infrastructure projects through several programs, including the Investing in Canada Infrastructure Program, Canada Community-Building Fund, and the New Building Canada Fund.

Through these examples and many more, our ministry plays an important role in supporting a growing province, a strong economy, and a better quality of life for all Saskatchewan people.

And now I'd like to provide an overview of what this year's budget means for our ministry's operational overall.

As the committee will know, SaskBuilds and Procurement was created to oversee the management and all infrastructure projects and assets of executive government; standardize government procurement and IT infrastructure; as well as support several important long-term government commitments that are set out in Saskatchewan's Growth Plan — investing more than \$30 billion over the next decade to build the infrastructure to support a growing province, a strong economy, and a better quality of life for the people of Saskatchewan; delivering a modern approach to IT service delivery and procurement; and leveraging government procurement and supply chains to support the development and growth of Saskatchewan businesses.

As a central agency, SaskBuilds and Procurement also supports our clients and partners as they work to deliver their programs and services to achieve many of the other goals set out in the growth plan. Our procurement management division conducts all procurements above trade thresholds for the goods and services, business and technology solutions, and construction that our client ministries across government need to serve citizens and communities.

They also maintain lines of communication with industry and other stakeholders to ensure that the Government of Saskatchewan procurements ensure best value for the taxpayers and fair treatment for Saskatchewan suppliers. During 2024-25 the procurement management division was involved in awarding more than 650 procurements valued at approximately \$689.5 million.

I'm happy to say, and even more significant this year, approximately 90 per cent of those procurements, valued at about 617.6 million, were awarded to Saskatchewan-based companies, and more than 99 per cent to Canadian companies.

Our procurement team also works hard to ensure that the Government of Saskatchewan procurements comply with our province's obligations under the various trade agreements Saskatchewan has signed on to, including the New West Partnership Trade Agreement, the Canadian Free Trade Agreement, the Canada-European Union trade agreement and the comprehensive economic and trade agreement, and the World Trade Organization agreement.

Trade compliance is a key priority because not only does it ensure our province isn't penalized in accordance with the provisions of these agreements, it also helps establish a more level playing field for Saskatchewan companies and suppliers to do business outside of our province as well.

Of course it's almost impossible to discuss procurement these days without also acknowledging the US [United States] tariffs and volatility. The Government of Saskatchewan's commitment to procuring from Saskatchewan-based companies remains strong. As mentioned before, Saskatchewan has awarded nearly 90 per cent of all procurements to Saskatchewan companies over

the past five years. When Saskatchewan companies bid, that number has jumped to 95 per cent.

In the same period the province has awarded more than 99 per cent of procurements to Canadian companies, with less than 1 per cent awarded to US companies. For SaskBuilds's major projects, all general contractors were Canadian and the majority were from Saskatchewan. In 2024-2025 construction year, over 96 per cent of the value of awarded Highways contracts went to Saskatchewan companies.

In the first three-quarters of '24-25, the Crown sector awarded 1.2 billion, or 75 per cent of procurements, to Saskatchewan suppliers. About 3 per cent of procurement came from the United States over the same period.

SaskBuilds and Procurement continues to work through the details of implementing reporting, and remains committed to getting the best value for the taxpayer dollars through the fair and transparent procurement process. Our government will always put Saskatchewan people and the Saskatchewan companies first.

#### [19:45]

Tariffs are certainly not the only challenge that Saskatchewan is facing. Another to note is cyberthreats and attacks. Cyberattacks are constantly evolving and becoming more sophisticated. As the IT provider for the Government of Saskatchewan, it is our ministry's responsibility to protect government systems, information, data, as well as the information entrusted to us by the public. Strengthening IT security is critical to protect citizens, data, and infrastructure from evolving threats, including ransomware, artificial intelligence, and supply chain attacks. We are continuing to invest in enhancing our cybersecurity position.

Another important way we support both our government clients and members of the public is through the safe, reliable, and professional management at government buildings, facilities, and properties through our operations and service delivery division. Our ministry operates and maintains hundreds of government-owned and leased properties in dozens of communities across Saskatchewan that are used by client ministries to provide programs and services to citizens.

This division also includes the Saskatchewan air ambulance service, which provides province-wide emergency medical evacuation 24 hours a day, 365 days a year. The Ministry of SaskBuilds and Procurement owns and operates a fleet of four King Air 200 aircraft, while the medical service is administered by the Saskatchewan Health Authority. The air ambulance service conducts approximately 1,500 patient transfers per year. This division also provides transportation services through the central vehicle agency as well as mail and telecommunication services.

As a central agency, SaskBuilds and Procurement is funded through two mechanisms. First, we have an expense budget made up of funding appropriated directly to our ministry that is used to support our own operations. This year total appropriated budget for the ministry is \$155.4 million. The second way we are funded is through recovery costs. This is funding that is appropriated to our client ministries, which we recover from them for our services.

I would like to take note that I say "some of our services" intentionally as things like accommodations and IT services are part of the recovery costs, but our procurement operations, for example, are not. They are funded through a direct appropriation, as you will see reflected in our estimates.

Our ministry also provides funding for the Provincial Archives of Saskatchewan. 5.1 million is included in this year's budget to protect and preserve Saskatchewan's rich history through funding to the Provincial Archives of Saskatchewan.

To conclude, I'd like to acknowledge the essential work that the Ministry of SaskBuilds and Procurement does and thank the entire team for their continued tremendous contributions to the province of Saskatchewan. Mr. Chair, I'd now be happy to take questions about the ministry's estimates for 2025-2026. Thank

**Chair Steele:** — Thank you, Minister. I will open the floor to questions then. MLA [Member of the Legislative Assembly] Ritchie.

**Erika Ritchie**: — Thank you, Mr. Chair, and thank you to the minister for that overview of activities within SaskBuilds. I appreciate the continuity with the presentation made last year, and I was able to follow along quite easily in terms of the information and the numbers that have changed along the way.

Certainly the portion talking about some of the challenges that SaskBuilds has been experiencing in terms of sort of recent global events, predominantly the US tariffs that you mentioned, I just wanted to dive a little bit further in.

You mentioned that 90 per cent of the procurement undertaken through SaskBuilds is from Saskatchewan companies, and I find that a little surprising that it's such a high number. And I'm wondering if you could tell me, you know, beyond sort of dealing with sort of a front-facing Saskatchewan company, what sort of third-party suppliers, and how much you look in to sort of see where products and services are coming from outside of Saskatchewan, through those front-facing agencies.

Hon. David Marit: — I'm going to start, and then I'm going to turn it over to the deputy and then she'll make a few comments. Then we'll turn it to Maire. Does that sound . . . I guess, Mr. Chair, I would say I'm somewhat disappointed in the member's statement about that she's surprised that 90 per cent of the procurement is done by Saskatchewan companies. I'm very proud of the companies here in this province that are procuring the capital projects here in the province of Saskatchewan.

And I can probably assure you — I know we've been tracking, as I said in my opening statements — that we do have a procurement management division that is tracking this. And I can probably say in very strict confidence that there probably isn't another jurisdiction in North America that could say that 90 per cent of the procurement on capital projects of executive government are done by Saskatchewan companies. So I'll end with that, and I'll turn it to the deputy minister and then to Maire.

**Rebecca Carter:** — Thanks, Minister. Thank for the question. Yes, Rebecca Carter, deputy minister of SaskBuilds and Procurement. So I'll just clarify again, as the minister has

indicated in his opening comments, the procurement management division did award 650 procurements. And this was valued at approximately \$689.5 million, and 90 per cent of them went to Saskatchewan companies.

So there are some important nuances about the role that SaskBuilds and Procurement plays as a procurement agency in terms of the role that we play across executive government to find the companies or the suppliers that those are awarded to. So I think the question that you're asking is more, once that's been awarded, what type of information we have, either through the procurement or other processes, about any third-party suppliers that would . . . might potentially for example be a US company. So we would have very limited information on that, and I'll turn it over to Maire for a bit more of an explanation. Thank you.

Maire Coulthard: — Thank you. Maire Coulthard, acting chief procurement officer. So I would say when it comes to procurements, our procurements are built in a way that we provide as much innovation as companies can submit. So we provide requirements or specifications, but we do not dictate in our procurements where suppliers get their materials or their services, and we don't determine the solution. We want our suppliers to bring us solutions to the problems that we're trying to solve. So we use a best-value procurement approach, which considers factors beyond cost to ensure that we are getting the best money for our taxpayers, but we don't dictate where those businesses are getting their supplies and their services.

Rebecca Carter: — Thanks, Maire. And just further to that, and a big part of the rationale for that would be when you consider 650 million procurements over hundreds of millions of dollars, the level of detail of what we might be actually awarding a procurement for, to a supplier, could be incredibly detailed. Right, like it could come down to, you know, individual parts related to the construction of restroom facilities, for example. So it really would not be particularly feasible for the role that we play at SaskBuilds and Procurement to look into every single detail of where Saskatchewan-based companies are procuring all of their components from.

Erika Ritchie: — So maybe just for some clarification, I know the minister took some exception to the choice of my words and surprise, and I just wanted to sort of elaborate a little bit on that. Because obviously I mean you take the example of, you know, when you go to the grocery store and you're looking for that made-in-Canada label on something. And then a lot of people are finding they're spending a lot of time these days like looking at the back to see, you know . . . It may have been fabricated in one location but, you know, it's using ingredients that maybe have come from a global source.

And so you know, it's just not reasonable to expect that something that's being procured from a Saskatchewan supplier is necessarily going to have 100 per cent Saskatchewan content just because of the global nature of our markets, right. And so that's why I'm asking about third parties to see well, yes I understand you might be going through a Saskatchewan vendor to acquire materials, but surely those materials or those services are drawing upon, you know, markets that stretch around the globe. You know, a lot of organizations of course as part of their corporate social responsibility do a lot of third-party verification because their customers want to ensure that the value chain is

meeting a set of standards.

I mean that's the origin of the question. I'm not in any way suggesting that, you know, Saskatchewan doesn't have a robust economy that's supplying. But what I'm trying to do is delve down and understand that that 90 per cent that you're listing, to see okay, but you know, next level.

Like you mentioned also best value. I'm familiar with your best-value approach, and you know, there's been questions in the past about well how much does that ensure diversity of supply, and ensuring that, you know, Indigenous companies are able to participate in the procurement process and providing services. The same thing with women-owned businesses. I mentioned that in the Assembly earlier.

I am getting a little bit off track with my question around, you know, how you define best value. But just only to say that I recognize that . . . I want to understand better how you track and understand where those goods and services that you're procuring from Saskatchewan vendors are, the full scope of that value chain and where it's coming from.

[20:00]

Rebecca Carter: — Thank you very much for the question. We just thought we would clarify that an approach that we do have is working very closely with industry to have an understanding of what their procurement and third-party approaches look like. We do want to minimize that though, being an onerous requirement to our suppliers, right. They're very busy. They have a lot on their plates, so we want to minimize highly onerous reporting processes.

But we do have a very close working relationship with our suppliers and with industry, and through that relationship we have been able to learn in recent months about, you know, some of the nuances associated with where some third-party or subtrades may come from. So I'll just turn it over to Sara for a bit of a description of that. Thank you.

Sara Nichols: — Hello. My name is Sara Nichols. I am the assistant deputy minister of infrastructure design and delivery. And so for one type of contract that we would procure and that we manage at SaskBuilds and Procurement on major capital, we work very closely with our industry partners, major Saskatchewan general contractors. We understand that in our major projects — a school or a hospital or a major health facility — approximately 80 to 85 per cent of the value is done through subtrades.

But we know that a lot of those subtrade companies — our mechanical contractors, our electrical contractors — are also Saskatchewan businesses. And so this is a new development. We don't have all the data going back, but we do work very closely with general contractors to understand the project, who is on their projects. We've been working to increase competition and make sure that we're getting value across all of our major infrastructure projects, working very closely with industry on monitoring trends in the sector.

**Erika Ritchie**: — And so is it a matter . . . I mean you do have your best-value approach to procurement. Is it the intention to

modify that policy to look for either true Saskatchewan and Canadian content moving forward in the current context?

**Hon. David Marit**: — I'll just start. Thank you, Mr. Chair, and sorry for the delay. I think the answer here is a lengthy one just as far as the procurement process and things like that. I'm not sure how this is tying into the budget, but we'll answer this question or try and answer it. Thank you.

Rebecca Carter: — Thank you. I can begin. So just as we contemplate what any change might look like, as I indicated previously, really working closely with suppliers — the majority of which are from Saskatchewan or Canadian — we've been having very collaborative discussions in recent months as the environment has shifted considerably to understand what the feasibility of that would look like, what the logistics would look like, and what the impact would be to the supplier community. So Sara's going to be providing some details about what we've heard and just some considerations that would inform that.

I will reiterate of course our approach within SaskBuilds and Procurement is of course prioritizing Saskatchewan-based suppliers wherever possible. But one thing that Sara's just going to touch a little bit upon that I just wanted to frame up a little bit is around, while certainly we do of course, you know, put great value in prioritizing Saskatchewan suppliers and Canadian suppliers, we also have to think very much about the feasibility of being able to provide everything directly from the Saskatchewan supply chain.

In some cases, you know, it's actually not practical or feasible for very good reasons. It wouldn't necessarily add the most value to taxpayers for the funding of various projects that we are procuring and building. It could lead to massive cost escalations. So there has to of course be considerations if that's, you know, appropriate given the circumstances.

I'd also say that there's instances, for example, with some of the aircraft that we have for the provincial air ambulance, that almost exclusively a lot of that is available through US companies. That's just one example. So it becomes very difficult to say, well we simply would not procure from a US-based company for something that is so crucial in terms of the scope of services that we provide throughout the province.

And another really critical area of that is information technology historically, and I worked very closely with my counterparts across the country. And in the bilateral conversations that we've been having, I've really learned that the majority of jurisdictions . . . That is a very challenging area because the US has been a major supplier of information technology. And there are cybersecurity risks with going outside of the US for a product that may or may not exist in Canada at all.

So I just wanted to frame that up, and Sara being in the infrastructure design and delivery branch can speak to a little bit more detail about how we've engaged with the supplier community and industry to be able to better understand some of the nuances to inform these types of decisions.

**Sara Nichols**: — Thank you. Sara Nichols with infrastructure design and delivery.

So I wanted to talk about a couple examples, when we talk about where we're able to as government get the best value in making a change, or looking at different alternatives in a project. So it's really important in that project perspective to understand what phase of design or construction the project is at.

So we also want to make sure that we're delivering on our client expectations. I don't think anyone in the House would want to delay on a school opening by another six months or a year so we can go back and redesign the structure. When we go out to tender on a new school, we've usually completed 100 per cent of that design — over often a year with school divisions — and we're getting ready to put that out to tender because we want that shovel in the ground and we want that school open as quickly as possible to meet the enrolment needs of the school division.

And so I think it's also at what point in a project can we have the biggest impact in terms of intervening on choices around supply and specifics in a project. And so we are looking at supply chains. And the earlier in the project that we can do that, it's easier in terms of the overall impact.

[20:15]

Or you imagine a project that's mid-construction. If we're looking at something like steel — we have projects halfway built; we're not going to stop, take the steel out, and substitute it with another project. That would be hugely expensive and create significant delays on redesign and other complicating factors as that structure will impact mechanical design, will impact electrical design, and it would be astronomically expensive for us to roll that back.

And so we've been working with industry to really understand, you know, where are our supplies coming from, where is that point in a project when we can make an intervention as the owner. I think asking questions too — are our specifications driving choices that don't allow for an option? — I think is something we've been doing to try and make sure that we can have the most common-sense and value approach in terms of where items within a building . . . And a building is not quite as simple as like a recipe. It would literally have thousands of items going into a building, and it would also depend on the design.

I wanted to kind of share a few of the feedback we've received from some of the industries we've talked about. You know, where can we make the biggest impact and what are their concerns? And so I know our industry, the Saskatchewan Construction Association has indicated things like, you know, having the capability and the capacity to be able to go back and check with each of their subtrades on where individual line items coming in a project . . . I know on an individual project there will be literally hundreds of contracts managed by a general contractor. And so we are looking for the opportunity to switch products, but also to understand what those overall cost implications are on the project, as well as the timeline for delivery.

And so we've been looking to find ideas from our industry partners, and I think the biggest opportunity for us is projects that are not yet into construction, projects that are still in the earlier design phases where we can set out the specifications and look for making sure that we're being open to alternatives that are

easier to source more in Canada.

We do know that certain items . . . Like if you can imagine in a health facility, infection control is a major requirement, and so certain things in mechanical systems in a health facility are probably not that easy for us to change the supply chain on. But we might be able to change supply chains on other items that are common in our facilities. And so that's what really, the conversations we're having with industry.

**Erika Ritchie**: — Thank you very much. I really appreciate that information in terms of sort of forward-looking work that you're doing so that I can understand what really is meant when you tell me that 90 per cent of procurement is, you know, the value is Saskatchewan.

But underneath that, obviously the picture looks a little bit different when you break it down in terms of those third parties. And so again, just going back to the best-value approach that you take, are you requiring as part of the tendering documents that vendors tell you, you know, how much of the supply is coming from Saskatchewan and/or Canadian suppliers when you're making those determinations about awarding?

**Hon. David Marit**: — Mr. Chair, I'm trying to find the relevance of what that has to do with budget estimates for '25-26. If I could ask for the relevance in this question.

Chair Steele: — Yes, could we . . .

**Erika Ritchie**: — Well, happy to. I'm happy to answer that question.

**Chair Steele**: — Okay, how does it relate back to the estimates we're trying to . . .

Erika Ritchie: — Yeah, absolutely. So I guess I said, I mean, the minister in his opening remarks made reference to how the . . . It's very germane to the work that the procurement division undertakes. And I can see that central management and services is spending over 11 million in central management and services. The work that's being done, I understand, within is overseeing procurement for a large bulk of the government's procurement. And so it's in relation to that subvote.

**Chair Steele:** — I think I would like you to move on to ... There's a lot of material to relate or call the questions to, so if we could move on to ... Yeah, I think it's needed to move on.

Erika Ritchie: — I'm quite certain this question relates to the budget estimate. I'm asking about the tendering process. This is my opportunity that I get once a year to ask these kinds of questions at a time when we're looking at an economic trade war with the United States of America. You know, people want to know. They're looking at what they're buying in the grocery store, and you know, it's part of the same continuum. It's a very straightforward question, I assure you, Mr. Chair.

Chair Steele: — Okay. Move on.

**Erika Ritchie**: — Oh, so do you want me to move on, or do you want the minister to move on with the question?

Chair Steele: — Yes, continue on. Let's see where we go from there. We'll see. We've got a lot of material to go over. I'd like to proceed and move into something.

**Erika Ritchie**: — Okay. So my question for the minister is, as part of the tendering process, are you asking for vendors to list for you the Saskatchewan and Canadian content in their tender offers?

Jill Zimmer: — I'm Jill Zimmer. I'm the assistant deputy minister of corporate strategy and services. I just want to raise a quick point that you raised about the (SP01) subvote, and you noted that it had increased by \$11 million. I just wanted to quickly point out that that is a net-neutral accounting thing that we did. So the central management and services used to be part of the recoveries of several different subvotes, so it was in (SP02), (SP05), and (SP11). So parts of those subvotes, which we used to recover from other ministries, have now been taken out, and those are now fully appropriated.

So that really is just a restatement. We were recovering the money before. It's net neutral to government, so that's not actually an increase. It shows as an increase, but it's actually a net-neutral thing. It's just how we're getting the money has changed from recovery to appropriation. So the procurement management service is in subvote (SP14), and that's remained, you know, relatively stable year over year. So I just wanted to point that out.

**Erika Ritchie**: — So that was the first part. Is there an answer to my question, Mr. Minister? Well this will be the third time I've asked it. My question was about whether you'll be . . . Do you need me to repeat it? Oh, you do need me to repeat it. Okay, I'm happy to repeat it a third time.

So for the third time, Mr. Minister, would you please tell me if your tendering process is, on the going forward, asking for a breakdown of Saskatchewan content or Canadian content in its tender.

[20:30]

Hon. David Marit: — You know, I think it kind of goes back to what my deputy minister said in an earlier answer about the whole process of working with the industry, and we continue to do that. Obviously they're concerned, and as Sara talked about some of the challenges around what the industry is having around that and how the RFP [request for proposal] process works. But obviously we're working with the industry, continue to work with the industry on how we proceed down that pathway and to get that. Because in some aspects too some of these companies have long-term contracts with providers as well that supply the product to them as well.

So we're still working with industry on this to see how we get there. We're worried obviously about time delays, obviously is a big issue, and also increasing costs as well to the taxpayers and ensuring that we're providing top quality and best value for the taxpayers.

**Erika Ritchie**: — Yeah, I appreciate, you know, the factors that you mention. And of course it's hard to turn on a dime. I guess what we're just really trying to do is get some clarity though, you

know, around the numbers that have been presented here in these estimates. They also took the form of a news release I think about a week or two ago — I can't remember exactly — which is why I was highly curious to know the basis for the numbers and understand what underpins them. And you know, again 689 million awarded, 650 contracts that have run through SaskBuilds.

You mentioned, you know, you're starting to look into understanding some of the third-party supply, the value chain, etc., as you mentioned. Can you tell me how much of that Saskatchewan-based procurement is coming from third-party sources outside Saskatchewan? Have you been able to get an estimate of that?

Chair Steele: — I think the minister had answered that question a number of times. I'd like to see us move on to some more relevant questions towards the estimates, if you would please. And we'll take it from there and see what happens.

**Erika Ritchie**: — So as part of the '24-25 budget year, I understand last year Cam Swan was under contract as a special advisor for stakeholder relations. How much was paid last year to Mr. Swan? Is that a continuing contract? And how much will he be receiving in '25-26?

**Hon. David Marit**: — Thanks, Mr. Chair. Obviously Cam Swan is an employee. He's not on contract; he's an employee. So his salary will be released in Public Accounts volume 2. It's a one-year, and it's expected to end December 31st of 2025. But he is an employee.

**Erika Ritchie**: — So can you tell me the nature of the work that he's undertaking, please?

**Hon. David Marit**: — Yes, I can. Yes. Yeah, he's a special advisor to stakeholder relations. That's his role.

**Erika Ritchie**: — Yeah, I understand that to be his title. And I guess I'm just looking for a little more detail on the nature of that role, please.

**Hon. David Marit**: — I'll put my glasses on to read the fine print. Obviously he's currently . . . role is engaging with industry and stakeholders, obviously to understand the needs moving forward.

And the areas of stakeholder relations and provide support to suppliers are obviously issues in management; addressing procurement-related concerns identified by vendors to support continuous improvement; supply chain engagement; increasing the interest and competitiveness of the Saskatchewan business competing for Government of Saskatchewan opportunities by sharing information about Government of Saskatchewan procurement processes; market sounding and early vendor engagement; vendor education and pathfinding; providing support and training to Saskatchewan business in understanding how to successfully compete for public sector opportunities; and awareness — understanding industry trends and challenges in relation to Government of Saskatchewan procurements to advise on continuous improvement in procurement, ensuring opportunities for Saskatchewan suppliers. That's his role in working with stakeholder relations.

**Erika Ritchie**: — It's a special advisor. I'm just wondering, like is that a position that is ongoing and typical? It seems sort of atypical to me. What brought about the need for the role?

Hon. David Marit: — I think it kind of says it in itself, reaching out to stakeholders. I think Mr. Swan brings a wealth of knowledge to the table and reaching out with stakeholders and having that ability to reach out and weather the challenges and concerns around the procurement side from the industry stakeholders. And that's his role. That's why we said it's a one-year employment opportunity, and that's the role of Mr. Swan.

**Erika Ritchie**: — There's a summary of capital investments of 25 million allocated to the SaskBuilds Corporation. Could you please tell me what the major expense components are?

Jill Zimmer: — Jill Zimmer again. So the role of the SaskBuilds Corporation is to allow the provision of funding for the purposes of infrastructure projects. And the benefit of the corporation is it allows money to be held year over year. So if there's something that's going to be done over multiple years, for example, when we receive federal funding for multi-year projects, we can hold it in the corporation.

So that \$25 million is for rail infrastructure investments necessary to link the Canadian Pacific Railway and the Canadian National railway main lines to the Global Transportation Hub to support the Cargill canola crush facility. A majority of the work was completed in 2024. And that's the purpose of the funding.

**Erika Ritchie**: — All right. So are there any other examples where you would be holding over money from previous years? I know in Highways they talk about, you know, some projects sort of going, spilling over into future years.

**Jill Zimmer**: — Yeah. So like I mentioned on the federal funding, so the Investing in Canada Infrastructure Program for example, it allows us to hold the funds until the people who did the projects, like a municipality or an RM [rural municipality], whoever, are able to build for them. So then we don't have to have it appropriated every year.

**Erika Ritchie**: — Right. But you're not saying the full 25 . . . So the 25 million, that summary, that allocation, it's for the CNCP [Canadian National and Canadian Pacific] work as an ICIP [Investing in Canada Infrastructure Program] . . .

**Jill Zimmer**: — Not for ICIP. It's just the CNCP work.

**Erika Ritchie**: — CNCP. Okay. Mr. Minister, could you please list all sole-source contracts over \$1 million that occurred in '24-25, including the name of the company or individual that was awarded the contract?

[20:45]

**Hon. David Marit**: — Just for clarification, you said contracts over 1 million?

Erika Ritchie: — Yes, please.

**Hon. David Marit**: — Thanks, Mr. Chair. We had to do a little digging. There's none.

**Erika Ritchie**: — In '25-26 did you place a confidentiality clause in a sole-source contract where there was no market for the work? And if you did, can you please tell us why?

**Hon. David Marit**: — Mr. Chair, I'd just like clarification how this relates to the estimates.

Chair Steele: — Okay. Could you . . .

Erika Ritchie: — I think it relates in the usual manner, Mr. Chair.

**Chair Steele:** — Can we get clarity on the usual manner?

**Erika Ritchie**: — Yeah, sure. Well I mean I thought the purpose of being in estimates was to ask questions about, you know, the contracts and the work of the ministry. Oftentimes our questions will sort of, you know, move into actual work that's been undertaken, the nature of that work, maybe some of the policies that sort of inform the work.

You know, oftentimes our questions here can be, you know, wide ranging in scope. As I say you know, this is an opportunity for us to speak and ask these questions directly of the minister and his staff. We really appreciate that opportunity.

Chair Steele: — Okay. For example here, a number of questions discussed and discussions of the estimates at committee meeting is a normal very wide ranging, but during consideration of the subvotes and questions . . . We're doing some adjustments here. Okay. You've been given latitude. Please connect your questions to the estimates.

**Erika Ritchie**: — Thank you, Mr. Chair. Mr. Minister, has SaskBuilds and Procurement issued any contracts in '24-25 that have specific requirements for northern or Indigenous ownership or women ownership?

Hon. David Marit: — I'll start just a bit if I could, Mr. Chair, to talk about obviously First Nation, the Indigenous component on some of this. And I'll speak obviously with my other ministry hat on, with Highways contracts in northern communities. Obviously we have some excellent partners up there with First Nations that we contract with and in many cases sole-source that way.

And one I can speak of is at Pinehouse with a group there too as well that do road maintenance, and they have the expertise at the local side for that aspect of it. We do have some very good working relationships and agreements with our northern communities from a highway perspective.

And I'm going to turn it over to Sara just to, obviously talk about some, really some great first-time stories in partnership and working with the Indigenous communities. So Sara, I'll turn it to you.

Sara Nichols: — Thank you so much. Sara Nichols, ADM [assistant deputy minister] of infrastructure design and delivery. I just wanted to do a few examples. And so one would be on our major projects. When we have a general contractor on board, we are working to facilitate engagement with local communities where we're doing major projects.

So one example is, Prince Albert Grand Council is a partner on our project for the Prince Albert Victoria Hospital project. And so while our commercial relationship is directly with PCL Construction, we've worked to make sure that we're supporting engagement between PCL, who's hiring many subtrades and local contractors and employees, with the local community, including our partners like Prince Albert Grand Council.

And then another example is government has been working to advance the Saskatoon urgent care centre, and we've been doing that through a unique first-of-its-kind partnership with the Ahtahkakoop Cree Development with Ahtahkakoop First Nation.

And so that's a project that has a number of elements where we've been working really closely with the Nation, working with the city of Saskatoon and the Nation to work on the land becoming an urban reserve and how to facilitate that partnership to open the Saskatoon urgent care centre in partnership.

**Erika Ritchie**: — Thank you very much for that response. So is Indigenous or supplier diversity part of your best-value tendering process?

[21:00]

Hon. David Marit: — Thank you, Mr. Chair. As I said earlier and I just want to reiterate, I know through Ministry of Highways there's some very good partnerships with Indigenous groups up in northern Saskatchewan, and I can think of a few that, you know, we've met with. And what I really do want to comment about is they really do know the road structure and they know the maintenance side of it, and obviously they're looking after from their community side as well. But I'm going to turn it over to Maire on the whole engagement side.

Maire Coulthard: — Hi. Maire Coulthard, chief procurement officer with procurement management division. So through our Priority Saskatchewan area, we do engage with our Indigenous business community. Our goal is to ensure all our Saskatchewan businesses, including our Indigenous businesses, are ready and prepared to do business with government. We attended the Indigenous Business Gathering just a few weeks ago to work with those Indigenous organizations to build their capacity.

And we do on a case-by-case basis include requirements in procurement for Indigenous specifications. So if there is a project that specifically requires Indigenous knowledge — for example, local experience or, you know, an opportunity where there's programs or partnerships or initiatives that are required based on the knowledge of an Indigenous organization — we would build those specifications into that procurement specifically, and then award points based on that response. So it's not a blanket activity that happens, but it is done on a case-by-case basis.

Erika Ritchie: — Thank you. Thank you for that response. It's my understanding that when SaskPower, for instance, undertakes its procurement, it does have a consideration of Indigenous inclusion in the tenders. I'm just wondering — you mentioned sort of like on a case-by-case basis — is there a reason why that wouldn't be part of your tendering process on a regular basis?

Maire Coulthard: — Hi. Maire Coulthard, procurement management division. So I would start by saying that we do

engage regularly with all of our Crown counterparts. We have a number of committees that we sit on together to learn from each other to discuss policies and practices. We collaborate on procurements and leverage each other's procurements in order to get best value for government as a whole.

So we also work hard to understand the capacity of Indigenous businesses. As I mentioned, our Priority Saskatchewan area meets with them regularly. We do have a senior Indigenous advisor who goes out and meets with our Indigenous business community to understand any barriers that there are to procurement with government for these Indigenous businesses. And we're regularly working to build capacity.

So we often get questions or inquiries, requests to come and provide training or education to ... I think most recently Métis Nation-Saskatchewan has asked us to come out and to provide training to their member organizations so that they can understand the bidding process, so that they have better opportunities to compete on our procurements and to do business with Saskatchewan.

I do have a number of examples also of competitions where we have included Indigenous criteria in our competitions where it made sense. So the current Sask Polytech building that Sara mentioned earlier, that included Indigenous criteria. They're trying to build an inclusive space for all. So we're looking for proponents who can describe, you know, their programs, partnerships, or initiatives that their company has implemented to recruit, retain, and advance Indigenous people, women, visible minorities, and persons with disabilities in their workforce.

That same wording was included in guard services for northern Saskatchewan area and guard services for the Legislative Building that we're in. And we also had a competition recently for Corrections that included, you know, that same wording about partnerships or initiatives that their company has implemented to recruit, retain, or advance Indigenous people, women, visible minorities, and persons with disabilities in their workforce.

Erika Ritchie: — Thank you for that response. One of my caucus colleagues was in committee for the Status of Women, I believe last week, and was asking some questions that, you know, were sort of deferred to SaskBuilds for an answer. So I understand that their funding had been cut back because there was now ... SaskBuilds and Procurement was distributing products for the provincial menstrual program, and I'm wondering if you could tell me how much that contract was procured for, what items were procured, and the quantities, please.

[21:15]

Patrick Coulthard: — Thank you for the question. So Patrick Coulthard, assistant deputy minister with operations and service delivery. So I just want to clarify, we're a contributor to the product and to the program in the form, in the way that we logistically distribute the materials out to the school divisions. And so we accept the product on behalf of the working committee, and then we distribute those products out to the school boards and school divisions as they request them. And our role as SaskBuilds in that piece from the operations side is just

the distribution and logistics behind it.

**Erika Ritchie**: — Thank you. And so to the rest of my question, I was asking about the cost, the products, and the quantities please.

**Patrick Coulthard:** — So Patrick Coulthard again here with operations and service delivery. So just a couple pieces I would want to expand a little bit on. So a couple things, I guess. We've been distributing this product since '23-24, and so over the last two years we've distributed 7.25 million pieces of product throughout the province in collaboration with the Status of Women, Parks, Culture and Sport.

We continue to support that, and we're continuing to move those pieces and those shipments along through our internal mechanisms and through some external added support pieces. Part of that is, you know, our continued support in '25-26, anticipating to continue to move that forward also with another 4.5 million products.

We don't have a cost associated with the product, as we don't hold that contract. We are just a distributor of the materials.

**Erika Ritchie:** — Oh, I was given the impression that any questions about the contract should be directed to SaskBuilds. I'm a little confused. Maybe you could explain that a little bit more for me just in terms of what that working relationship is like that you would not have that full information.

Patrick Coulthard: — Okay. Thank you. Patrick here with operations and service delivery again. So just wanted to provide some further context. So SaskBuilds and Procurement collaborates with Parks, Culture and Sport and Status of Women to deliver the access to menstrual products initiative, which was implemented in 2023. And you know, the Government of Saskatchewan's taken on a partnership with Shoppers Drug Mart and Procter & Gamble to distribute those . . . get the menstrual products to schools and a variety of organizations over a three-year period.

**Erika Ritchie**: — Thank you. I'm going to cede the floor to my colleague for a few questions.

Matt Love: — Yeah, thanks so much. Minister, I've got a couple questions related to school builds and procurement and education. First up was just looking to see if you could table some information. So a simple commitment from the minister will do with these questions.

First of all, you know, a couple years ago I was in this committee and was asking about where we're at with the education facility condition index. I understand there was a four-year process that was undertaken and a commitment at that time, on April 24th of 2023, that the process would be complete that year. I have not yet seen a report. Perhaps it is available publicly, if you could make me aware of where to find that. And if it is not available publicly — I imagine that that auditable school facilities is complete — can you table the documents for the committee today?

**Jill Zimmer:** — Jill Zimmer, ADM corporate services and strategy. So the role that SaskBuilds and Procurement plays in the asset management process is we administer the facility

condition index and the facility condition assessment programs. So yes, we do this by performing quality control on assessment reports and generating and distributing infrastructure data to the people who own the assets.

The purpose of the program is to provide clients and government with a consistent and standardized approach to the collection and reporting of infrastructure data. These assessments are combined into technical reports that include FCI [facility condition index] values, deferred maintenance costs, and condition assessments per facility. And these reports are sent to each ministry client for decision making on their particular infrastructure.

So to your question, we have completed the infrastructure assessment for the education sector, and I would defer back to the Ministry of Education for that data.

Matt Love: — Okay. Minister Hindley will be getting a letter from my office shortly, I suppose. I've got a question here for the minister. You know, there's many school capital projects that have taken significant amount of time to get moving, examples being, here in Regina, Harbour Landing joint-use school; Saskatoon city centre project; and the massive Holmwood joint-use high school.

And we're aware of correspondence from the mayors of Saskatoon and Regina raising concerns about this process and the cost of land for school builds that your government has required cities to pay. And in the letter from the mayors they have expressed that education is a provincial responsibility, including the cost of building schools and the land to do so. So my question to the minister: what are you doing to work with these municipal leaders to get their projects moving without driving up the cost of housing or delaying the projects further?

[21:30]

Hon. David Marit: — Thank you, Mr. Chair, and thanks for the question. Appreciate it because I think we've got some good news to report to you. Obviously Harbour Landing and Saskatoon city centre are going to tender now — I think they're out — they are out for tender, so hopefully construction will start this fall on those two schools or this spring hopefully. And the joint-use high school is in the design stage right now.

But you asked the question about what the city mayors said, and I'm glad you brought that up. I really am. We had a very good meeting with the city mayors a little over a week ago, where we'd had this very good discussion about obviously land and the size and scope of schools and everything else like that, and the challenges around that. And the builders were in the room as well. The developers were in the room as well. So we had a really good discussion.

So where it has landed is that now we have structured a committee between SaskBuilds, the cities. They'll appoint, from the administration side they'll appoint the folks they want on it and the builders as well. And they're going to come back with some recommendations.

I can tell you that I was adamant at that meeting that those recommendations will come back in no more than three months. We gave them a time frame. As you know sometimes when you start these committees, they can drag on, but we asked them

within three months to come back with a recommendation.

Oh, and Government Relations and Education were at the table as well. So they're all there.

So that's kind of where it's at. And I just wanted to bring you up to speed. But a good question because yes, we'd heard the same concerns and challenges around that. Obviously when you look at the scope of the schools and the land acquisition, it's probably one of the biggest issues and challenges we all have. So we all have to work together.

The city mayors were there and even the developers, and the ministry level were very positive about structuring the committee and having some recommendations coming back to us within three months. Okay?

Chair Steele: — Having reached our agreed-upon time for considerations of SaskBuilds estimates, we'll adjourn the consideration of these estimates. Minister, do you have any closing comments?

**Hon. David Marit:** — Well thanks, Mr. Chair. I thank the members opposite for the questions and the line of questioning, and thank the committee members as well. I do want to take this opportunity to obviously thank Hansard and all the folks involved in keeping this meeting on track and online.

But I really want to take the opportunity to thank the team that is sitting alongside me and behind me that are here with us. As you can see there's lots of entities within SaskBuilds when you look at the procurement side and the IT strategies as well. And the work that they do is absolutely amazing when you look at all the procurement and infrastructure that we're doing here in the province of Saskatchewan.

So my hat's off to the team, and I say that with the greatest respect. It's a pleasure to work alongside these folks to deliver major procurement and capital projects here in the province of Saskatchewan. So thank you, Mr. Chair.

Chair Steele: — Thank you. MLA Ritchie, do you have any closing comments?

Erika Ritchie: — Yes, thank you so much, Mr. Chair. I want to thank the minister and his officials for being available here today to answer our questions. As well I want to thank the Clerk at the table and Hansard as well for being here late in the evening. I know we're almost wrapped up estimates for the year, and as always I appreciate the time that we're given here today to represent the people of Saskatchewan and ask the questions on their minds. Thanks so much.

**Chair Steele**: — That concludes our business for today. I would like to ask a member to move a motion of adjournment. Minister Carr has moved. All agreed?

Some Hon. Members: — Agreed.

**Chair Steele**: — Carried. The committee stands adjourned until Wednesday, April 16th, 2025 at 4 p.m. Thank you.

[The committee adjourned at 21:34.]