



STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

Hansard Verbatim Report

No. 12 — April 20, 2026

Published under the
authority of
The Hon. Todd Goudy
Speaker



Legislative Assembly of Saskatchewan

Thirtieth Legislature

Hansard and other documents of the
Legislative Assembly are available
online within hours after each sitting.
<https://www.legassembly.sk.ca/>

STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

Colleen Young, Chair
Lloydminster

Erika Ritchie, Deputy Chair
Saskatoon Nutana

Kevin Kasun
Prince Albert Carlton

Don McBean
Saskatoon Chief Mistawasis

Jordan McPhail
Cumberland

Doug Steele
Cypress Hills

James Thorsteinson
Cut Knife-Turtleford

[The committee met at 15:31.]

Chair C. Young: — All right. Welcome, members, to the Standing Committee on Crown and Central Agencies this afternoon. I'm Colleen Young, chairing the meeting this afternoon. Sitting in are members Daryl Harrison for Kevin Kasun, Doug Steele, James Thorsteinson, and in for Don McBean is Nathaniel Teed.

I'd like to advise the committee that pursuant to rule 148(1), the 2026-27 estimates and 2025-26 supplementary estimates no. 2 were committed to the Standing Committee on Crown and Central Agencies on March 26th, 2026 and March 18th, 2026 respectively.

2026-27 estimates: vote 18, Finance; vote 12, Finance — Debt Servicing; vote 33, Public Service Commission; vote 93, Saskatchewan Residential Fuel Charge; vote 13, SaskBuilds and Procurement; vote 86, SaskBuilds Corporation; vote 151, Municipal Financing Corporation of Saskatchewan; vote 152, Saskatchewan Power Corporation; vote 153, Saskatchewan Telecommunications Holding Corporation; vote 140, Saskatchewan Water Corporation; vote 150, SaskEnergy Incorporated; vote 175, Debt Redemption; vote 176, Sinking Fund Payments — Government Share; vote 177, Interest on Gross Debt — Crown Enterprise Share.

2025-26 supplementary estimates no. 2 is vote 18, Finance; vote 12, Finance — Debt Servicing; vote 152, Saskatchewan Power Corporation; and vote 150, SaskEnergy Incorporated.

Today we will be considering the estimates for the Public Service Commission until 5:30. We will take a recess from 5:30 to 6. And afterwards we will consider the estimates for Finance.

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

Subvote (PS01)

Chair C. Young: — So to begin we will do vote 33, Public Service Commission, central management and services, subvote (PS01). Minister Harrison is here with his officials, and I would ask that officials please introduce themselves the first time they speak at the mike and don't touch the microphones. The *Hansard* operator will do that for you.

Minister, you may begin by introducing your officials that are here with you, if you choose, and make your opening remarks.

Hon. Jeremy Harrison: — Great. Well thanks very much, Madam Chair, and thanks to members of the committee for being here this afternoon. I am pleased to be here to provide additional information on the 2026-27 estimates for the Public Service Commission.

Before I begin I would like to introduce the officials who are joining me here this afternoon: Sharla Hordenchuk, the Chair of the Public Service Commission to my right; behind, Pat Bokitch, our assistant Chair; Claudia Burke, assistant Chair; Jarret Boon, executive director of corporate services; Joella Moore, executive

director of the human resources service centre; and Emma Keogan, my chief of staff. I want to thank them for being here today. Also I'd like to acknowledge their teams, who are standing by as needed to help respond to questions.

The Public Service Commission, or PSC, is the central human resource agency for executive government. PSC provides ministries and some agencies, boards, and commissions with HR [human resources] services, including leadership in policy direction, payroll and benefits administration, staffing and classification, labour relations, organizational development, compensation, corporate health safety and wellness frameworks, and leading collective bargaining for executive government. These services help ministries operate as a high-performing and innovative public service.

The key part of this support: helping ministries address recruitment and retention challenges so government has the right people in the right roles to meet growth plan commitments. To do this, the PSC provides ministries with specialized support on talent attraction and recruitment, including strategies for filling hard-to-recruit roles.

Across executive government, the commission serves a workforce of more than 12,000 employees who serve citizens across our province. These employees rely on PSC services to manage their careers and their day-to-day work. The PSC's role is to ensure that every ministry has timely, reliable, and professional HR support. We have HR business partner teams embedded in ministries to support their specific human resource needs. These business partner teams bring expertise directly into ministry initiatives, ensuring HR professionals are fully integrated into the ministry's work. This approach helps them provide timely, strategic human resource advice.

The PSC's plan for 2026-27 focuses on five strategic priorities: (1) effective leadership in the Government of Saskatchewan; (2) high-performing organization; (3) representative workplace; (4) health, safety, and wellness; and (5) an engaged high-performing PSC. Aligned with the provincial budget's focus on protecting essential services, these five priorities ensure a strong and reliable public service so our workforce can deliver on affordability, health care, education, community safety, and sound financial management, amongst other priorities.

Our priority of effective leadership is ensuring the Government of Saskatchewan has the leadership required to deliver on our commitments. Effective leaders provide clear direction, inspire and engage employees to perform at their best, and achieve government goals safely and efficiently.

The PSC continues to invest in developing leaders who inspire excellence, manage change effectively, and foster positive, respectful, and productive workplaces. This includes recruitment of strong leaders and ensuring senior leaders are well supported and set up for success.

The PSC offers well-established training and development opportunities such as the executive education program, middle manager excellence program, and leadership development programs to help build strong teams and capable leaders. These programs also give leaders valuable opportunities to come

together, strengthen relationships across ministries, and align shared leadership priorities.

Our second focus is creating a high-performing organization. High performance doesn't just happen by accident. It requires deliberate action. The PSC supports this through targeted recruitment strategies, improved human resource tools and systems, and ongoing work to ensure that learning and development are accessible and relevant. Our goal is to have engaged, productive employees who feel valued and appreciated. We track these every two years through the government-wide employee engagement and culture survey.

Our third strategic goal is building a representative workplace. Representation is integral to building a public service that reflects the makeup of our province. Our expanded summer student program highlights achievements towards this goal.

Our fourth focus is health, safety, and wellness. Employees do their best work when they are healthy physically and mentally. The PSC is committed to ensuring physically and psychologically safe workplaces where employees can thrive. This includes system-wide safety standards, mental health supports, accommodation programs, and the oversight of the employee and family assistance program.

Our fifth priority is ensuring the PSC itself is engaged and high performing. As the PSC supports other ministries, they also focus on their own people and operations. A high-performing PSC is essential to the success of the broader public service. We are committed to a one-team approach to client service, culture, and decision making. To be effective we need the right people and the tools in place.

This includes preparing for and implementation of a new government-wide integrated system for finance, human resources, and procurement, called government enterprise management, or GEM. GEM will modernize many of our current systems, which are aging and require significant manual effort.

Put simply, GEM replaces our aging patchwork of systems with one modern, integrated platform. This fiscal year it will bring key human resource functions such as time entry, payroll, updating employee information, benefits, and job applications into one streamlined system. It's a major project that requires careful planning, preparation, and the right resources.

Working closely with the Ministry of SaskBuilds and Procurement, the Public Service Commission is responsible for preparing ministries and employees for the HR components of GEM scheduled to launch this year. This is good news for the PSC and the public service and will continue to help modernize our work into the future.

With the PSC being responsible for the human resource components of GEM, the commission is taking on additional pre-implementation work. Some of this work includes preparing for new payroll processes, staffing workflows, updating position and classification structures, and expanding reporting and analytical capabilities.

The goal is a careful, well-supported transition for ministries and employees. Once the system goes live, the PSC's focus will shift

to stabilization and sustainment of the human resource components of GEM. This includes payroll monitoring, user support, issue resolution, and continuous improvement to ensure the system is functioning as intended for employees and ministries.

This year's budget ask includes the funding needed both to launch and sustain GEM. The continued investment, both permanent and temporary, demonstrates government's commitment to modernizing and improving services for employees and ministries. This approach also makes sure that front-line services to citizens and public servants are not disrupted.

In the past year, the PSC has made significant progress on many of our planned initiatives and we expect that momentum to continue in 2026-27. We remain focused on recruiting and retaining qualified and high-performing employees. Through ongoing recruitment strategies including talent pools, social media outreach, and community partnerships, the PSC continues to support ministries in attracting the talent that they need.

The PSC aligns priorities with the growth plan to make sure government has the workforce needed to deliver on provincial priorities. One of those examples is our progress in student programming. Last summer, student hiring included strong representation of Indigenous students. The PSC remains focused on expanding those opportunities.

New for 2026, the summer student program now includes expanded eligibility criteria. Students are now eligible for summer employment with the Government of Saskatchewan if they are enrolled in one-year post-secondary programs, are graduating this year, or are a recent graduate from the past year. This program expansion means more students, especially candidates taking shortened programming or recent grads, will qualify for employment with the Government of Saskatchewan.

While all numbers are still unofficial, nearly 4,000 students have applied for summer student positions for this year. That's an increase of over 700 students from last year. We've also seen an increase in students being hired by ministries already. Compared to this time last year, nearly 40 more employment matches have been made, resulting in 632 students already hired across executive government.

[15:45]

The PSC remains committed to safe, healthy, and supportive workplaces which are fundamental to a productive public service. The PSC is responsible for the government-wide employee and family assistance program. EFAP [employee family assistance program] provides timely supports including counselling, online learning, and practical tools related to mental health. Some of those practical tools include regular e-learning sessions available to all employees. These sessions are delivered virtually, and employees are encouraged to sign up for them in advance.

Since January, there have been seven learning sessions offered with an average attendance of nearly 550 people per session. Under the current agreement, employees have access to regular mental health learning sessions as previously mentioned,

financial relationship and wellness resources, online cognitive and behavioural therapy, and access to Elders or Knowledge Keepers where appropriate.

EFAP also provides support and resources for managers to help them lead psychologically safe teams. The mental and physical health of employees continues to be a high priority for government. Ensuring the physical, mental, and social well-being of employees is critical for our commitment to excellence.

Every two years the Government of Saskatchewan conducts an employee health and safety survey for all government employees. These results help each ministry monitor their safety culture, which is a key driver of physical and psychological injuries in Saskatchewan. The results also help ministries and the government Safety Champion Council develop action plans related to measures from the safety survey, such as the corporate health, safety, and wellness plan for executive government. In fall 2026 we will conduct a Saskatchewan safety survey to compare results and see what progress we've made as an organization and where there are opportunities to improve.

Another initiative the PSC recently worked on was the 2025 employee engagement and culture survey. This survey falls on alternating years from the Saskatchewan safety survey. As a result, the survey is administered every two years, with ministries receiving a report to support their action planning and inform decisions on people-related matters. The data provided helps inform internal workings for many ministries and strengthens our workplace.

The PSC is responsible for developing, administering, and reporting on the survey and its results. Seventy-five per cent of government employees responded to the survey in 2025, a 5 per cent increase in responses from 2023. Survey results show increased employee confidence in senior leadership and an increased level of overall employee engagement.

Employee engagement is a core priority for both the PSC and the Government of Saskatchewan. One example of how the PSC supports this is through its annual event recognizing long-serving public servants who have reached 25 or 35 years of service. This event celebrates their dedication and the meaningful contributions they've made to the people of Saskatchewan throughout their careers.

The Public Service Commission's focus for '26-27 is to continue to protect the services we deliver. The PSC is committed to supporting a successful transition to GEM, strengthening government's ability to recruit and retain the talent it needs, and ensuring ministries receive the human resource leadership and services required to serve Saskatchewan people effectively.

With the dedication of PSC employees and our partners across government, I'm confident that we're well positioned to meet the challenges and opportunities ahead. Thank you very much, and we are looking forward to questions.

Chair C. Young: — All right. Thank you, Minister. Before I open the floor to questions, I will note that member Darcy Warrington is sitting in for committee member Erika Ritchie. All right, and I will open the floor to questions, and I'll recognize member Teed.

Nathaniel Teed: — Thank you so much, Madam Chair. And thank you very much to the committee members and the minister and his officials for joining us here today.

I just had a couple questions just related to the preamble while they're fresh in my head here. At one point you had mentioned social media partnerships in the promotion of the work that the PSC is doing. What might this look like? And is there an amount of money allocated in the budget for these partnerships?

Hon. Jeremy Harrison: — I appreciate the question. We're going to do a little bit of a consult on here and we'll provide the response. Thank you.

Pat Bokitch: — Good afternoon. I'm Pat Bokitch, assistant Chair. Thank you very much for your question. So the social media strategies and approach used by the PSC are really for ongoing recruitment.

And the initiatives that we leverage there through our partnership with LinkedIn are the creation of talent pools, other social media-based recruitment to help ministries recruit the talent that they need to deliver on growth plan goals. So that includes PSC developing recruitment strategies for hard-to-recruit positions and leveraging social media to connect with talent and position public service careers.

So you had asked about the contract with a provider. That's what we refer to as the LinkedIn solution. In '26-27 this annual contract aligned with our fiscal year and includes a number of initiatives. It has two recruiter licences, which is a specialized licence where more access to information about the type of candidate pools we're tapping into can be provided. We utilize 14 job slots and one career life page for a total of \$77,490.

So the functionalities: as an example, the recruiter licence allows organizations like ours to link our own applicant tracking system or HR information system with LinkedIn for seamless postings. It can also send messages to anyone on the platform regardless of whether or not they're connected to the licence owner through a function called InMail.

Additionally, we use the advanced search filters to save searches and search results to ensure we're tapping into the correct candidate pools. The job slots provide the ability to promote jobs, engage with candidates, and manage applications.

So as an example, when posting a job for the Ministry of Finance financial analyst, the paid job ad on LinkedIn will be placed front and centre for individuals who match our identified criteria in the job posting and send it to those who've had similar search criteria for jobs in the past. The career life page provides candidates with the opportunity to learn more about GOS, Government of Saskatchewan, as an employer and what it's like to work with us. It's a powerful tool to create identity, to raise awareness, and drive interest in open career opportunities.

Nathaniel Teed: — Thank you so much. The next point that I had kind of flagged was the expanded student placements. It's great to hear that we've seen such a big increase from last year on the interest. I'm wondering, you had mentioned that it's an expanded placement. Do we know how many seats there will be expanded from and to in this budget?

Hon. Jeremy Harrison: — Very good question, and we're going to confer a bit, and we'll get you the detailed answer.

Pat Bokitch: — Great, thank you. Always happy to talk about our summer student program. It's a really key initiative that helps the Government of Saskatchewan to deliver critical programs and services while providing students with valuable work experience. Upon graduation, many of these same summer students return to work and build their careers with the Saskatchewan public service, something we're very proud of.

[16:00]

So just a little context around the program itself. It launches in October every year as an opportunity for ministries to consider their needs, consider potential callbacks of students who may continue employment as a student again the next year. And so it's a bit too early to report on how the expanded criteria have been placed, but we'll be happy to do that in the future.

Just in terms of those expanded criteria, the requirements continue to be: legally entitled to work in Canada, attending school on a full-time basis, and returning to school on a full-time basis the next academic semester. What's new this year is being enrolled in full-time academic studies and will graduate in the current academic year or — new as well — recently graduated from full-time academic studies within the last year.

Priority is given to students attending post-secondary over high school. Full-time is defined by the educational institution the student is attending. Proof of program completion date may be requested. And full-time academic studies include programs with a minimum 32-week course.

So the expanded criteria provide access to summer employees for a broader group of students and provide access to a candidate pool for Government of Saskatchewan. There's no quotas. It's about the opportunities that are being provided and broadening that opportunity with these expanded eligibility details.

Nathaniel Teed: — And is it like an internship, or do these folks get paid for this work? And if they do, how much is the salary there, or the hourly salary? Yeah.

Pat Bokitch: — Thank you. So just as a generality, the student positions in the summer student program are paid positions, and the salary level depends on the duties assigned to the position and of course will vary with that.

Maybe a couple other comments I would add. The positions are largely within the scope of the bargaining unit, so in-scope positions, and the classification would align with designated salary ranges associated with the classifications in the classification plan. The types of positions, the salaries vary with the type of work, so anything from Ministry of Agriculture, Ministry of Highways-type work to a more office-based setting like administrative assistant positions.

Nathaniel Teed: — Thank you so much. I'm going to move on to EFAP. Wondering if any of the surveys that the PSC puts out — either the occupational health and safety or the culture survey — do either of them collect any information on the success of the EFAP program? Or are there any processes for folks to bring

feedback in on that program?

Pat Bokitch: — Thank you. Thank you for that question. So just in follow-up, there aren't specific questions in the employee engagement and culture survey or the safety survey that speak to an employee and family assistance program. There are other mechanisms though to collect feedback on the program and ensure there's quality.

And so a couple of mechanisms that are utilized is the collection through the human resource business partners and the Safety Champion Council. There's also a formal concern resolution process in place through the employee well-being and inclusion branch to help the vendor understand the nature of any concern, to resolve that concern, and identify a solution going forward.

Additionally through the most recent vendor contract, there's been the provision of expanded services offered by the vendor, and that includes online therapist-assisted cognitive behavioural therapy supports, self-guided cognitive behavioural therapy, free webinars available to all Government of Saskatchewan staff, Elder and Knowledge Keeper services, and a nurse care coordinator intake team to triage requests and prioritize as they come in.

Nathaniel Teed: — Thank you so much. The last point was on the surveys. Happy to hear the OH & S [occupational health and safety] safety questionnaire will be undertaken this fall. Then maybe I'll go back to the culture survey that was noted to have taken place in 2025. I'm wondering if there were any notable take-aways that you could, high-level, go over for the committee from that survey.

Sharla Hordenchuk: — Sharla Hordenchuk, Chair of the PSC. So our last engagement and culture survey was conducted in the fall of 2025. And as mentioned in Minister's opening comments, we saw our highest response rate at 75 per cent, which not only was it up from 70 per cent in 2023, but it was an increase from the 2021 response rate of 63 per cent.

So the employee engagement score specifically was recorded at 67 per cent, marking a 6 per cent increase from the 61 per cent score in 2023. At a high level I would say the results also showed an increase in employee confidence in senior leadership and a higher level of overall employee engagement.

We also saw that 85 per cent of the respondents said that they enjoyed the work they do, and 77 per cent agreed that their work gives them a sense of accomplishment. So this shows, you know, we're on the right path to maintaining a high-performing organization where people like to come to work.

I would just add the results of this survey show us that, you know, several areas with the highest scores are around engagement in the work we do, a positive and inclusive workplace, and around career growth as well.

And when we get into the details a little more, our employees' value index stayed strong at 75 per cent. All four values in the survey showed improvement at the work unit levels, with scores for supervisors and managers increasing as well by a couple of points. I would just add too that the results indicate an increase in the number of employees who observe government's

commitment to excellence in our values and behaviours in their work unit. So overall there's been progress.

As well as at the senior leadership level, we saw our senior leadership values average increase by 4 per cent from 2023 to 61 per cent and demonstrates that, you know, efforts to enhance leadership visibility and demonstrate the commitment to excellence are being recognized.

Nathaniel Teed: — Thank you so much. That's a lot of really positive information. I think there's a lot to be proud of when seeing those numbers increasing year over year in all those metrics. So I really appreciate hearing that. Would there be any chance of having the results of that survey tabled for the committee?

[16:15]

Sharla Hordenchuk: — Yeah, so just in response to the question about the survey, so had walked through at a high level some of the results, and in follow-up we can provide a summary as well at the appropriate time.

Nathaniel Teed: — Thank you so much. I guess maybe my last question: were there any areas of concern that you were noting? We've seen a lot of really positive movements. Was there anything that came in that you would be concerned about, or the ministry, as they reviewed through those? And if there wasn't areas of concern, you don't have to. But I just wondered if there was anything high level.

Sharla Hordenchuk: — So thanks for the question. And you know, it's always important to celebrate the successes. And again it's just as important for us to recognize those areas that could have some further development, so around essential information flow from senior leaders — that's an area — employee well-being, and workplace collaboration.

And I would just add, you know, ministries take their results seriously as well. And it's an activity, you know, where some action planning would be up to them to decide specifically what areas they would want to focus on.

Nathaniel Teed: — Thank you so much. I am going to move over to some questions here now about the appropriations and the variances that we're seeing. I'm wondering if the minister or his officials can give a little bit of a context to the decreases in the line items, specifically starting with central management and services. We're seeing a decrease in 1.321 million, or a 17.75 per cent decrease, to this budget line item.

Hon. Jeremy Harrison: — Okay. No, I appreciate the question as well. So I'll maybe answer specifically on that subvote and then maybe if officials want to provide additional context or information, they'll be able to.

But I think the question was around central management and services, the decrease from 1.321 million, so the decrease by. And really the decrease in that subvote is largely due to the elimination of 1.129 million in one-time accommodations funding that was provided in '25-26 for the additional space required for the temporary GEM positions.

The budget also included a reduction in IT [information technology] funding due to the transfer of this funding to the Ministry of SaskBuilds and Procurement, the support changes in enterprise IT billing. And these decreases were partially offset by increases in permanent accommodations funding and funding for two temporary positions to provide records management and financial system support for GEM.

So probably a lot of the variances on the year-to-year budget are going to be around the GEM implementation, which I will leave it to the experts to maybe speak to in a bit more detail. So, Sharla, if you wish to go further, I will hand it to you.

Sharla Hordenchuk: — Yeah. Thanks, Minister. So just specifically to central management and services, as was mentioned, the 1.129 million elimination of the one-time GEM accommodation funding, I would say it's important to note that some of that is offset for the accommodations of some of the additional temporary students and temporary positions that we have. I think too, when it comes to accommodations and our budget decreases there, we have multiple offices in Regina and one in Saskatoon. And accommodation services of course has to provide costs for storage and disposal of records, so those accommodation services cover a range of things.

Nathaniel Teed: — And would you say, similarly to human resources consulting services, that it . . . reduction of 287,000?

Hon. Jeremy Harrison: — I can speak to that, and maybe Sharla or Pat want to add as well. But that was the elimination of one human resource business partner. So the salary reduction was about \$168,000 I think overall. Yeah.

Nathaniel Teed: — Would that be similarly in line with the business partner? Would that have been in line with GEM? Would they have been on board to help set that up, or is there a reason why we lost a business partner there?

Sharla Hordenchuk: — So with regards to the business partner position, I would just say, you know, that position was vacant. And due to some operational efficiencies and some prioritization within the business partner division, it was found that that position could be eliminated.

Nathaniel Teed: — Any concerns for workload in that department if it was vacant prior and eliminated now?

Claudia Burke: — Claudia Burke, assistant Chair. So ongoing review of the support to our ministry clients led the division to hold a position vacant over the last year to assess the needs of client service. And after doing that work and considering support declines, it was confirmed that this position could be eliminated.

At the same time, workload is something that is considered carefully. And ongoing conversations between leaders in the division ensure that workload management is taken seriously and that that is not increased as a result of the elimination of the position.

Nathaniel Teed: — I'll move on to employee relations and strategic AR. We're seeing an increase of 1.8 per cent, 226,000. I'm wondering if you can speak to that change.

[16:30]

Hon. Jeremy Harrison: — Sure. I'll maybe provide some initial comments, and then the officials could maybe add a bit more. But really the increase in the budget's the net result of a number of smaller changes that were made throughout the various branches in the subvote, which includes funding for a new permanent resource in the compensation area due to the new tasks that this branch will be responsible for under GEM, funding for two term positions in talent management and development to assist with GEM change management and stabilization, and to support governance in ongoing documentation and training updates. And if officials wish to add any, they may do so.

Sharla Hordenchuk: — Yeah, thank you. So just in regards to the salary changes, we saw 236,000 for salary funding related to our '25-26 GEM reorganization. And then as mentioned, with regards to the two FTEs [full-time equivalent] in temporary funding for talent branch, that was an increase of 217,000. And then with some other salary reductions regarding a government-wide initiative, it offset to be an increase of \$226,000.

Nathaniel Teed: — I'm just going to jump to your mention of GEM. So would the oversight that the PSC is putting into GEM, would that be through this employee relations and strategic HR line item? Is that where that kind of oversight would be housed or held or managed?

Hon. Jeremy Harrison: — Maybe just as officials are putting the response together, just by way of prefacing the response, there's a number of different elements that go across different branches within PSC. So Sharla will coordinate here, and we'll make sure that we get all of the information together for you.

Sharla Hordenchuk: — So in response to the question about the oversight, as Minister indicated, the work regarding readiness for launch and implementation occurs across the organization. The budget includes \$10.3 million for GEM sustainment costs, and I can highlight a few of those. I would just add, when we look back to last year as well, some was one-time temporary funding. And now there's some additional one-time temporary funding with a mix of permanent funding.

So we did see a net reduction of 1.079 million and 24.5 FTEs to support GEM sustainment. What that looked like was the temporary resources at the human resources service centre; we saw that change there. We saw, as mentioned earlier, the 1.129 million decrease in temporary accommodation funding. We saw a \$500,000 increase for GEM for those post-go-live items that are required within the first year of launching the HR system. And then as mentioned, we saw a \$400,000 increase in permanent accommodation funding.

We saw 376,000 and four FTE increase for temporary resources — so that's across the PSC; some of which were spoken to regarding the talent branch already — and a \$236,000 increase for salary pressures due to the restructuring that was done within the PSC to support that HR component of GEM. We also see 171,000 for the increased costs of the sustainment contract and our licensing costs and then, as mentioned earlier, a permanent position for a compensation consultant for a salary of \$120,000 and one FTE.

So as noted in that list, it's spread across the organization.

Nathaniel Teed: — Thank you so much. I'll then jump lastly to the last appropriation line (PS06), human resources service centre. Maybe if you can just speak to the 3.3 million decrease, which is a 16.57 per cent variance there on that budget line item.

Hon. Jeremy Harrison: — Sure, I can respond to that question. The decrease in the subvote's largely due to the reduction in funding for the temporary resources at the HR service centre this year. Funding was received in '25-26 for 61 term positions to ensure that the organization was prepared for the launch of the new human resource system. Due to the delay in the launch of the GEM system, the resources were not required until late in the year — so late in '25-26 — and now will be needed for a portion of '26-27, but not the full year.

So the budget also includes a reduction in IT funding due to the transfer of this funding to the Ministry of SaskBuilds and Procurement to support changes in the enterprise IT billing, which I think we had referenced earlier. The PSC's IT budget is housed in both central management and services and the HR service centre, so the centralization of the enterprise IT funding impacts both of these divisions.

The budget also includes a reduction of 197,000 or two FTEs associated with the elimination of the human resource consultant positions and a reduction of \$55,000 associated with the elimination of one human resource payroll administrator.

And I'm not sure if officials want to add any, and if not I think . . . does that cover it?

Sharla Hordenchuk: — That covers it. Thanks, Minister.

Nathaniel Teed: — Awesome, thank you so much. I'm going to jump in to just a few quick general questions before I have some more questions about GEM. I'm wondering if you can give me an update on how many FTEs the PSC has today, and how has that changed from last year.

Sharla Hordenchuk: — So the Public Service Commission projects it will utilize just over 360 FTEs in 2026-27. This is a decrease of approximately 30 FTEs over that budgeted amount for 2025-26. And this decrease is due to the net reduction of 24.5 temporary resources for GEM, plus the elimination of five vacant positions.

Nathaniel Teed: — Thank you so much. I'm going to jump in to, now that I think I've gone through some of my preliminary. I want to chat a little bit about GEM specifically. And you know, from what I've heard, this is going to be a really important technology piece.

I know I've been engaging with some of the payroll folks here in the Legislative Assembly, looking for a bit more of an inclusivity when it comes to, you know, onboarding people. And the old system, I think in MIDAS [multi-informational database application system], has been pretty archaic and puts things into a box and not really interested in changes in that capacity. So I have to say just quickly just how much I've appreciated engaging with the payroll folks here at our Legislative Assembly and the work that they are doing to make sure that GEM is inclusive and

going to work for many years.

So in the annual business plan, you know, we highlight GEM as the . . . It's touted as a massive, cloud-based integration of finance, HR, procurement. I'm wondering if we know when GEM will go live?

Hon. Jeremy Harrison: — Yeah. No, appreciate the question. And it's a probably a bit longer of an answer to a short question, but we jointly administer the program obviously with SaskBuilds. So you know, we have an internal date that we are working towards, but we are not going to launch until we really have a high degree of comfort that we are in a place to do that responsibly.

So I would say, you know, months not years. But the coming months I think it would be fair to say that we are going to be going live. But beyond that, with our partners, I probably can't give you a specific date yet, other than to say it will be in the coming months.

Nathaniel Teed: — Appreciate that. Do we have any idea how much has been invested in GEM thus far?

[16:45]

Sharla Hordenchuk: — Yeah, so just with regards to the cost of the system, I'll just reiterate the PSC budget for '26-27 is just over 10 million for our portion of it. I would just offer that, you know, GEM is really — and the minister spoke to this earlier — replacing a number of systems. And you know, the multiple systems had considerable manual processes to deliver not only human resources, but also the financial and procurement services, which those two did launch in November of 2025.

So I would just say when it comes to the cost of the project, that that's best placed for SaskBuilds and Procurement to speak to.

Nathaniel Teed: — And sorry, and specifically it was procurement and there was one other area that had launched in the fall you said?

Sharla Hordenchuk: — Yes, so the procurement stream and the financial stream were launched in November of 2025.

Nathaniel Teed: — Thank you so much. And so you had mentioned earlier the GEM sustainment cost to be in the 10.3 million. Is that expected to be the ongoing cost to the Public Service Commission for the operation of their portion of GEM for the HR services?

Sharla Hordenchuk: — Yeah, so thanks for the question about the ongoing costing related to GEM for the PSC. I would say, you know, some of the costs are fixed. And we can report on around, you know, our Deloitte sustainment contract of 2.8 million. Our Oracle licences are near 1.5 million. And then there's some ITD [information technology division] chargebacks and of course our Oracle University licences at about \$86,000.

And I did mention earlier in our response, around \$500,000 allocated for our priority for post-go-live items. So that in addition to the staff required and the permanent positions that have come, we have that understanding for this year, but it would

be difficult to speculate what the ongoing cost would be when the project, or specifically this deployment of the project, has yet to launch.

Nathaniel Teed: — Appreciate that. Who is the primary vendor for the GEM system? And was it an open, competitive public tender process?

Sharla Hordenchuk: — So regarding the question about vendor, I would suggest that that's a question best referred to the Ministry of SaskBuilds and Procurement as the project owner and responsibility for contract management in that regard.

Nathaniel Teed: — Thank you so much. Was there anything built in that you know of for the contract as far as delays? Were there financial penalties built in the contract if said vendor wasn't able to launch at a specific date? Just thinking, just the concern of, you know, a lot of IT just seems to be the absolute headache of any government in Canada. But I'm wondering if there was anything just like built in to make sure that if it's not launching on time that we're getting some money back from the vendor or not?

Sharla Hordenchuk: — Yeah, so my answer to this question regarding contract and any provisions within it again are best directed to the Ministry of Sask Builds and Procurement.

Nathaniel Teed: — Thank you so much. I'm just going to take a second here. Okay, I think that I will do that. I will pose that to my colleague, the shadow minister for SaskBuilds, and I will move over to the workforce adjustment by attrition plans that were signalled in the budget. The budget document reads that as part of an effort for the government to operate within its means, the government plans to manage the size of its workforce through attrition. And I'm wondering how is this directive . . . Was this directive issued public-service-wide? And did the Public Service Commission have any role in the launch of this program?

Hon. Jeremy Harrison: — So I can respond to the question. Appreciate it. I would say with regard to the decision and direction, really that was a decision and direction given by executive government, meaning cabinet, as a part of the budget deliberation process and budget decision-making process. So the Public Service Commission isn't really the owner of the overall policy, although we're impacted by the target, and we will meet that target over the next couple of years.

But it's important to, you know, really keep in mind what the objective is here which is through attrition, not through any direct job cuts. So you know, that can be a combination of retirements, of voluntary departures. There's, you know, several reasons why people every year leave the public service. We work hard on retention, but there's definitely, you know, a natural flow of those coming in and those who are departing the public service as well.

So you know, we're going to focus on the operational efficiency component of all of that, but really when it comes to the overall program, individual ministries are responsible for their own, you know, their own reductions internally. So we are not playing a central role aside from supporting ministries if they need support. And Sharla, maybe you can speak to what that would look like in a departure scenario.

[17:00]

Sharla Hordenchuk: — So thanks for that overview. So as Minister indicated, it's up to ministries to develop their own targeted resourcing plans, you know, similar to whenever an employee leaves the Government of Saskatchewan through retirement or through, you know, seeking a position elsewhere. We provide the same service, you know, for offboarding. That would be available and, you know, a lot of those transactions are carried through our human resources service centre.

If there was to be an area, for example, that had a high level of retirements and perhaps a ministry was looking to do something different, then our service that we continue to offer . . . would be through, you know, organizational design if that was of interest. And that would be, you know, regular business for us as ministries determine their resourcing plans.

Nathaniel Teed: — Thank you for that. Yeah, because my next question really was, will the PSC play any role in supporting those ministries through this process, but I think you've answered that.

I guess you can tell me if this would be more geared to Executive Council, but do you expect this process to continue past the two-year mark? Was a two-year goal in the budget document saying, we'll look at two years and then we'll assess?

Hon. Jeremy Harrison: — Yeah, no, I can speak to that. And I appreciate the question. So beyond the two years in the policy program which had been announced as a part of a budget, there has not been any consideration or decision made beyond that.

Nathaniel Teed: — Thank you so much. I'm just going to take a peek here. Does the PSC, would they have any oversight into what the . . . So as part of that, they said, you know, the key to the medium-term forecast of returning to balanced budgets. And so I was thinking, what percentage of workforce do we see necessary over the next two years to achieve that goal? And I'm wondering if the PSC would be providing any support to that or providing any guidance to the ministries on that front.

Hon. Jeremy Harrison: — So I'll maybe respond to that as well, returning a bit to one of the earlier answers I provided with regard to the overall policy direction which came from a decision in executive government in cabinet.

So the PSC really, you know, doesn't have the mandate to provide a policy recommendation in that regard. And we did not in this particular circumstance. Really our role is limited as a partner, which Sharla had spoken to with regard to assisting ministries. And also, you know, really, we kind of do a lot of the back end I guess as far as payroll and those sort of things, but we're not really doing the policy work, right. Yeah.

Nathaniel Teed: — That definitely helps me understand a little bit more of the role of the PSC. Understanding that maybe I thought that the PSC might have more to do in this, I had some questions, you know.

We've been hearing some concerns out of ministries, you know, specifically the Ministry of Social Services, which I think is in estimates right now downstairs, just about workloads. You know,

what I'm hearing you say is that that ministry will have to, from, you know, direction of Executive Council, that ministry will now have to process that internally. Okay. No, I appreciate that. Thank you so much.

I think I'll move on to some questions I had around labour relations. We've got 12.26 million for employee relations, which includes negotiating with SGEU [Saskatchewan Government and General Employees' Union] and CUPE [Canadian Union of Public Employees].

Could you give me an update on any ongoing negotiations, and when the next CBAs [collective bargaining agreement] might expire with those two unions?

Hon. Jeremy Harrison: — All right, I can maybe just provide a brief introduction and then I will turn it to Sharla and to Pat for a more detailed answer. Because it's a good question, and it's a question that deserves a good and detailed answer because there's a lot there.

So I would just kind of introduce the subject by saying that, you know, we do play a significant role as a part of that collective bargaining process. You know, we can't speak obviously to the details of what's going on at the tables, and I know the member well knows that. But we do play a role. So I will maybe ask either Sharla or Pat or both if they want to provide some additional detail for the committee.

Pat Bokitch: — Okay, thank you for that question. I think I'll start with just a little bit of context.

So the Public Service Commission is responsible for two collective bargaining agreements that cover Government of Saskatchewan employees. One is the agreement with the Saskatchewan Government Employees Union, the PS/GE [Public Service/Government Employment] collective bargaining agreement. That expired on September 30th, 2025. We were provided with notice to bargain in June, and bargaining has commenced. Of course details of that are not something we can share given the confidentiality of the bargaining process.

The other agreement is with the Canadian Union of Public Employees. That agreement has also expired on September 30th, 2025. There has been a notice to bargain, although no dates have been set there yet. The parties there continue discussion on day-to-day items, as is generally the case.

And so in addition to providing ELR [employee and labour relations] advice and leading the collective bargaining process for those two contracts, collective bargaining agreements, the Public Service Commission also supports a number of other tables in collective bargaining. And so those agreements, or those agencies are . . . One is with Saskatchewan Arts Board and SGEU. That agreement expired September 30th, 2025 as well. There's not yet active bargaining happening at that table.

Sask Crop Insurance and SGEU expired September 30th, 2025. The parties are preparing.

Conexus Arts Centre, IATSE [International Alliance of Theatrical Stage Employees] expires July 31st, 2027, so is within their current agreement.

Conexus Arts Centre, RWDSU [Retail, Wholesale and Department Store Union] expires January 26th, 2027 and are working under the terms of that current agreement.

Legal Aid Commission, CUPE Local 1949 expired September 30th, 2025. The parties have commenced initial discussions.

Saskatchewan Water Security Agency, Unifor Local 820 expires December 31st, 2026 and so falling under a current agreement as well.

And the Human Rights Commission, CUPE Local 1871 expired September 30th, 2025 and has not commenced bargaining at this time.

Nathaniel Teed: — Appreciate that. Does the PSC provide any support to any other tables? I'm specifically thinking SAHO [Saskatchewan Association of Health Organizations] and the negotiations with the health care provider unions.

Pat Bokitch: — The answer to that question is no.

Nathaniel Teed: — Looking at the goals for collective bargaining, is there any mandate to include wage increases that would match or exceed current rates of inflation as we hit a cost-of-living crisis?

[17:15]

Hon. Jeremy Harrison: — Right, yeah. I'll maybe provide the response on that since there's a pretty significant element of policy around that one.

So you know — the member well knows — we don't kind of put the mandate on the table in committee. But I would say this: that we're, you know, working with the tables that are open right now. We're going to work hard to come to a good deal through that collective bargaining process. But you know, I'm not going to speculate or put on the table the details of that, but other than to say we're going to work hard at it and, you know, find a path forward that's going to work.

Nathaniel Teed: — Appreciate that. I have about 15 minutes left if I'm correct. I will jump over to some questions I had around . . . if I can make it to the Provincial Auditor's recommendations from the last auditor's report, but specifically around the diversity self-declaration online portal.

I'm wondering if you have any information as to what percentage of uptake that online portal is seeing within the Government of Saskatchewan.

Sharla Hordenchuk: — Thanks for the question. Just a point of clarity, if you could help us understand which online portal you're referring to.

Nathaniel Teed: — Yeah. As I was reading through minutes or *Hansard* from last estimates of your . . . There was a mention that employees of the Government of Saskatchewan, through the online portal, are able to self-identify — you know, kind of a diversity survey.

I know when I worked at RBC [Royal Bank of Canada], at the

time, in 2010, it was a new offering wherein employees were able to self-declare as far as they felt or they were comfortable declaring diversity attributes. Again totally in the case it was very voluntary, and we were always trying to kind of get folks to participate. But at least that was referred to in estimates, that there is a portal on the Saskatchewan government employee portal that would allow employees to do this, if that helps.

I think if it helps, the two minutes or the *Hansards* that I was looking at were Minister Carr and Minister Duncan. So it was not last, but prior to that, if that helps.

Hon. Jeremy Harrison: — I think we're making progress here.

Nathaniel Teed: — Wonderful.

Hon. Jeremy Harrison: — Yeah, so I think we've sourced the portal on PSC Client, which for members, I think, we all use for our constituency assistants. So we have some familiarity with PSC Client. There is a portal on PSC Client where you can have a voluntary self-declaration. So we don't have the data in front of us.

We're going to be migrating PSC Client to GEM obviously in the relatively near future. So you know, we'll see if we can find in the next 10 minutes or so whether we have any additional information on that, but I'm not sure that we do.

Nathaniel Teed: — Thank you so much. I appreciate that.

Maybe what I'll do with the 10, 9 minutes here remaining, maybe I would just ask the minister and his officials if there is any update to the status of recommendations made by the auditor, chapter 11, 2025 report volume 1. There were a number of recommendations made to implement or continue to implement the implementation of employment equity, diversity, and inclusion policies. And just wondering if there's any update to that process or if we've hit any other milestones, if there's any money being allocated in this '26-27 fiscal budget to continue to make those recommendations happen.

Hon. Jeremy Harrison: — Okay, well good question. I appreciate it. And you know, we have some data here, which I'm going to be in a position to provide to the committee, and I think some good news and progress that is being made as well.

So we have the data from '24-25, so the last full year. We have some data from up to Q3 [third quarter] of '25-26 as well.

So just kind of the full-year data that we have on '24-25. Per cent of Indigenous people, 8.7 per cent. Something that's really, I can tell you, something very important to me and something we've talked about and worked on how we can do better on that as well. So I think that's going to be a priority, and some good news on that. Just with regard to summer students, I'll get to in a second.

Per cent of persons with a disability is 4.1 per cent. Per cent of persons of visible minority was 9.6 per cent in the full year. In the Q3, that's up to 10.2 per cent in the three quarters after that full year.

Per cent of women in senior management, 54 per cent. Probably see that reflected in our senior management team here at the

Public Service Commission. I would say in my office as well, actually. There are no males in my minister's office. Emma is the boss as chief of staff, and we have a great team.

Per cent of women in middle management, 56.4 per cent. Per cent of youth — so that's 30 and under — 16.4 per cent.

And with regard to the expanded summer student program, we've seen success in that; I think I referenced it in my opening remarks as well. But fifteen and a half per cent Indigenous persons, which is something that we're quite pleased with and going to continue working on.

Nathaniel Teed: — I appreciate those figures. I guess we've got a little . . . if we can make a four-minute time frame . . .

Chair C. Young: — One question.

Nathaniel Teed: — One question. I guess my question was pretty broad about if any more progress had been made on the auditor's report, if it's still undergoing? It's still undergoing. I appreciate that.

Just wondering if you have any, or has there been any thoughts or money set aside for those processes?

Hon. Jeremy Harrison: — Yeah, I'd say kind of just off the top of my head and given there's only four minutes, I can't give you a super detailed answer on that other than to say that we're working on building a representative and reflective workforce, and that's going to continue to be a priority.

Nathaniel Teed: — I appreciate that. I think that I'm happy . . . yeah. Thank you so much, Madam Chair.

Chair C. Young: — All right. Having reached our agreed-upon time for consideration of these estimates, we will now adjourn consideration of the estimates for the Public Service Commission.

Minister, if you have any closing remarks you would like to make.

Hon. Jeremy Harrison: — Sure. I, number one, just wanted to thank the Public Service Commission and, through Sharla and our senior management team, all of the staff at the PSC for the work that they do day in and day out. It's very much appreciated.

Thank the committee. And I want to thank our critic. Very good discussion. I appreciate that — genuinely seeking information. And as always, because we've had a lot of estimates together over the years, it's always a pleasure. So I thank you for the very good questions.

Chair C. Young: — Member Teed, any comments you'd like to make?

Nathaniel Teed: — Yeah, I would echo the minister's thanks to his officials, his senior management team, the staff that work at the PSC. I just want to say a big thank you to all the work that you do to ensure that the talent that we have working in the Government of Saskatchewan, our public service, is top-notch, and it absolutely is. So huge job well done. And it shows in your

surveys that folks are really appreciating the careers that they have here with the Government of Saskatchewan.

And I just want to thank the committee members and you, Madam Chair, for the evening, and to all the folks who make this possible.

Chair C. Young: — All right. Thank you, everyone. The committee will now recess till 6 o'clock.

[The committee recessed from 17:29 until 18:01.]

**General Revenue Fund
Debt Redemption, Sinking Fund and Interest Payments
Debt Redemption
Vote 175**

Chair C. Young: — All right, welcome back, committee members. We will now move on to consideration of vote 175, vote 176, and vote 177 for Finance. We will begin with vote 175, debt redemption.

Minister Harrison has returned with his officials. And I'd ask all officials to please introduce yourselves the first time you speak at the mike and not to touch the microphones. Just let *Hansard* know. Minister, you can introduce your officials and begin with your opening remarks, please.

Hon. Jeremy Harrison: — Sure. Well thanks very much, Madam Chair, and thanks to committee members for being here this evening. So my understanding is that we will do two hours of Crown Investments Corporation estimates, at which point we will then bring in SGI [Saskatchewan Government Insurance] officials for the next two hours.

So I am pleased to be here tonight for the Crown Investments Corporation, the holding company for Saskatchewan's commercial Crown corporations, including SaskPower, SaskTel, SaskEnergy, SGI, Lotteries and Gaming Saskatchewan, and SaskWater.

With me tonight from Crown Investments Corporation or CIC is Kent Campbell, president and CEO [chief executive officer]; Louise Usick, interim vice-president and CFO [chief financial officer]; Tim Highmoor, vice-president, Crown sector priorities; Kyla Hillmer, vice-president, Crown services; Tyler Lynch, vice-president, energy security; Leanne Persicke, executive director, strategy, planning and corporate responsibility; Richard Davis, senior advisor to the president and CEO; Brad Hunt, controller, finance and administration; and my chief of staff, Emma Keogan. We also have officials from SGI who will be joining us, and we will introduce them when we get to that point.

In this year's budget, our government had a choice: to raise taxes, cut services, or protect Saskatchewan. We chose to protect Saskatchewan. For the Crown sector, we will protect Saskatchewan through our four strategic priorities, which are affordability, reliability, economic growth, and strong financial management.

CIC is responsible for the development and oversight of broad Crown sector public policy initiatives, directing sector investments, and collecting and providing dividends to the

provincial government's General Revenue Fund. It provides oversight on behalf of the government in part by providing strategic shareholder direction and managing Crown sector performance.

CIC also oversees and manages a comprehensive framework designed to strengthen governance, performance, and accountability of subsidiary Crowns. It also assists subsidiary Crown boards to carry out their responsibilities of directing and overseeing the management of the Crowns.

CIC plays a unique role in ensuring that Crown corporations are not only delivering day-to-day services but are positioned to meet the challenges Saskatchewan will face 5, 10, and 20 years from now. That means rigorously evaluating risk and ensuring that investments align with government priorities and public value.

A key part of this oversight is financial discipline. Our Crown corporations collectively manage some of the largest balance sheets in the province. That responsibility requires a careful balance, investing to support growth and reliability today, while ensuring long-term sustainability and affordability for future generations.

Through CIC we monitor capital planning, borrowing strategies, and financial performance to ensure Crowns are making decisions that are prudent. This includes stress testing assumptions about demand growth, market volatility, interest rates, and federal policy changes.

Accountability also means making sure Crown boards are equipped to do their jobs effectively. CIC works closely with boards to strengthen governance practices, clarify roles, and ensure directors have the expertise needed to oversee complex, capital-intensive organizations in a rapidly changing environment. Ultimately this is about protecting the public interest. Saskatchewan people expect their Crowns to be well run, efficient, and focused on delivering value. And that expectation guides everything that we do.

Within the Crown sector, there are more than 11,000 employees who carry out important work protecting critical infrastructure, programs, and services right across our province. To every single employee, I say thank you. Thank you for keeping our houses warm, our lights on, our communities connected, and so much more. As committee members will know, our government's priority is to provide secure, reliable, and affordable electricity for our citizens. This budget supports that.

The Saskatchewan First Energy Security Strategy released last fall laid out an all-of-the-above approach to power generation, utilizing existing thermal power generation assets while transitioning to a nuclear future powered by Saskatchewan uranium. The strategy establishes energy security as the government's top priority. It confirms a diversified supply mix, recognizes coal generation as a necessary bridge while nuclear capacity is developed, and emphasizes the importance of expanding the province's transmission system.

It also underscores that delivering this agenda requires partnerships, particularly to grow a skilled workforce, advance major capital projects, and strengthen Indigenous participation in cross-procurement training and employment. SaskPower has

aligned its planning and execution directly with this framework.

Acting on this direction from government, SaskPower launched the coal life-extension project in 2025. The objective is clear: keep existing coal assets operating safely and reliably through to 2050 as Saskatchewan transitions to nuclear power. It's important to note that one power-supply option is not sufficient to meet Saskatchewan's power needs. That's why we use a mix of different supply options including baseload options like coal, hydro, biomass, natural gas, and intermittent options like wind and solar to provide reliable and affordable power and to support our province's growth now and into the future.

We are also pursuing nuclear generation for our future power generation needs. Of course this means we are extending the life of our coal facilities. There are 1,400 hard-working folks in Coronach and Estevan who work hard to help power our grid every single day. To them I sincerely do say thank you.

The province has already invested substantially into solar, wind, biomass, and natural gas generation, but the Saskatchewan First Energy Security Strategy and Supply Plan really provides for its immediate and future baseload power. This plan is based in reality and makes pragmatic decisions about the future of our electrical grid.

As a result of this strategy not only do we have a clear path forward in terms of power generation, but we also have new investment. Just last month I was proud to attend the event to welcome Bell Canada's historic capital project for our province. This investment, worth \$12 billion — one of the largest private sector investments in the history of the country — is a direct result of the strength of our grid and the availability of baseload power.

Not only does the Saskatchewan First Energy Security Strategy and Supply Plan chart our path forward in driving investment, but it's also been a positive point for negotiations with the federal government on our shared goal of net zero by 2050. So provincial government, we have been steadfast advocates for Saskatchewan in our discussions with the federal government. We share the goal of making Canada an energy superpower, and Saskatchewan has a big role to play in achieving that goal. A strong Saskatchewan power system will only make Canada more resilient.

Some have suggested that Saskatchewan simply import power to meet our needs. But Manitoba and Alberta have no surplus capacity. When extreme cold hits the prairies, Saskatchewan is often the province exporting power. Our goal is and must be and will be long-term power self-sufficiency.

As mentioned, our energy security strategy strengthens and expands Saskatchewan's electricity system through a diversified, all-of-the-above investment approach. We had to evaluate the cost and value of extending legacy assets versus the cost of new-build options.

Ultimately we chose a path that prioritizes certainty and security of supply. By choosing to extend the life of our existing assets, projected capital expenditures are reduced by \$21 billion through 2050. That will be important as we invest in nuclear as we go forward. Maintaining existing capacity supports reliability and

resilience while Saskatchewan proceeds with planning, licensing, and constructing nuclear generation to achieve a net zero electricity system by 2050.

This budget also confirms what our government announced last year: that Saskatchewan is the only carbon tax-free province in the country. This budget provides \$500 million of savings for residents, hospitals, schools, farms, businesses this fiscal year alone. The decision to remove the carbon tax from everyone's power bills, households, and industry saves about 11 per cent on power bills every month.

Saskatchewan's Crown sector is budgeting approximately \$2.5 billion in 2026-27 to protect and improve utility infrastructure while supporting economic growth. The Crown sector invests in capital projects to serve customers, ensure the safety and integrity of aging infrastructure, and meet the demands of growth.

Not only do these significant capital projects better serve residents, but they also create economic opportunities for Saskatchewan's skilled labour force. For example, in the first three quarters of 2025-26 the Crown sector procured \$1.5 billion in goods and services. It awarded 1.1 billion or 71 per cent of Crown sector procurements to Saskatchewan suppliers when they were an option to source from.

SaskPower is investing in its electricity system, which will help to meet increasing electricity demand in the province and provide reliable and cost-effective generation now and into the future.

SaskTel is delivering essential network and service upgrades across Saskatchewan. These investments include enhancements to wireless and wireline networks, improved customer experience through network expansion and service modernization, and strengthened rural services.

SaskEnergy is investing to meet growing customer demand, maintaining the integrity of our natural gas transmission and distribution system, ensuring regulatory compliance, and providing safe and reliable service.

SGI Canada and the Saskatchewan Auto Fund's 2026-27 capital plan includes building renewal projects and upgrades to meet its business needs and to better serve customers.

Lotteries and Gaming Saskatchewan's capital plan includes only sustainment spending. This spending consists of replacing revenue-generating assets, such as slot machines, table games, and VLTs [video lottery terminal], as well as operational assets like computer equipment and furniture.

SaskWater is investing in growth and sustainment projects to manage its aging infrastructure and expand service offerings. The 2026-27 capital plan includes investments in the life extension of coal-fired generation assets as a bridge to nuclear power expansion, expansion of transmission infrastructure, and ongoing system sustainment.

Saskatchewan is the most affordable province in the country and continues to maintain the second-lowest utility bundle. However we know that Saskatchewan is not immune to inflationary and global market challenges. As Saskatchewan residents are

mindful of their own spending, it's incumbent on Crowns to do the same. No rate application is ever taken lightly. Crowns must balance any rate increases from the customer with other measures, such as collaborating on procurement, or initiatives to achieve cost savings and right-sizing our workforce through vacancy management and attrition without impacting the front line.

Crowns will work together to achieve \$55 million in cost savings through collaboration. They will also work together and with executive government to attract \$1 billion in new private sector investments for our province. These may sound like lofty goals but in the last fiscal year to end of the third quarter alone, we've surpassed the collaboration savings target for the last fiscal and secured \$1.6 billion in new private sector investments.

[18:15]

There are 36 Crowns, ministries, treasury board Crowns, and government agencies that are participating in collaboration as of March 2026. The eight collaboration strategic initiatives for 2026-27 are investment attraction, regional infrastructure, shared utility corridors, information technology and chief information officer working group, property management, mental health, shared strategic procurement, strengthening Saskatchewan's supply chain.

Successes in the last year include the northern broadband project, a collaboration between SaskTel and SaskPower to utilize existing transport infrastructure for fibre connectivity to northern broadband communities, saving \$21.4 million; line locating, a centralized system for line locate requests, saving \$18 million; pole sharing, cost savings of SaskTel using SaskPower poles instead of burying lines, saving \$7.2 million; vinyl surgical gloves, SHA [Saskatchewan Health Authority], All Nations' Healing, and Athabasca Health joining 3sHealth [Health Shared Services Saskatchewan] procurement on vinyl surgical gloves, saving \$4.4 million.

These initiatives are important. They save ratepayers money while delivering the same high-quality product or service. We must be efficient in how we operate because we need to be mindful of the cost passed on to customers through any rate application. Even with SaskPower's application for two 3.9 per cent increases, for example, industry will still be paying less than it did before our government made the decision to reduce household and industry power bills by 11 per cent through removing the carbon tax.

Saskatchewan has some of the most competitive power rates in North America and in Canada. The rate for large power consumers is 23 per cent below the average of the eight other Canadian utilities that rely on thermal generation, and 10 per cent below the average of all Canadian utilities.

Employees across Crown corporations worked tirelessly to restore essential services and provide meaningful support to affected communities this summer. SaskPower focused on keeping electricity on and restoring service as quickly as possible and safely as possible in wildfire-affected northern areas. It worked directly with customers facing financial hardship, offering interest-free payment deferrals, flexible payment plans, and extended timelines. During evacuations and early recovery,

SaskPower also paused collections and placed disconnections on hold, giving families breathing room without the added stress of their power bill.

SaskTel prioritized maintaining and rebuilding communications in the North. After severe wildfire damage in Denare Beach, SaskTel restored service to the undamaged part of the community within six weeks and continues to work to replace damaged infrastructure. Despite evacuations and fire disruptions, SaskTel kept moving forward on major broadband and cellular projects, including fibre and new cell towers along the Hanson Lake Road and Cumberland House and in other northern communities.

SaskEnergy supported affected customers by offering payment deferrals and instalment plans without late fees. This helped ensure people dealing with displacement or disrupted income could continue to access natural gas service while they recover.

SaskWater ensured a continuous supply of safe water for residents and firefighters by maintaining 24-hour operations at key treatment plants. They also supported local infrastructure; protected critical assets; assessed wildfire damage; assisted with water, sewer, and landfill challenges; and helped communities plan for recovery and rebuilding.

The 2026-27 budget protects Saskatchewan by keeping our Crown corporations strong, maintaining the second-lowest utility bundle, and investing in strategic infrastructure.

Before closing, Madam Chair, I would like to extend a thank you to Mark Guillet, the CEO of SaskEnergy, for his years of remarkable service as he approaches retirement this year. Mark's leadership has been marked by a strong focus on safety, reliability, and service to the people of Saskatchewan. And we and I in the government thank him for his many years of dedicated service and wish him all the best in his retirement.

With that, Madam Chair, I will conclude my opening remarks and we will respond to questions from the committee.

Chair C. Young: — Thank you, Minister. Before I open it to questions from the floor, I'll note that Aleana Young is in for committee member Jordan McPhail. Okay, and now I'll open it to committee members for questions. I recognize Ms. Young.

Aleana Young: — Thank you, Madam Chair. Minister, you spoke about the role of Crowns in promoting affordability and cost savings for Saskatchewan citizens. And I'm aware that Crowns, specifically obviously SaskEnergy and SaskPower, have a number of programs to help with this, such as the installation of energy-saving products, home retrofit programs, and other examples. Can the minister or his officials clarify whether or not Saskatchewan will be participating in the Canada Greener Homes affordability program?

Hon. Jeremy Harrison: — Yeah. Thanks, Madam Chair. So what I'm going to do then with regard to the response: the affordability questions and then the reference to the program.

So all of the Crowns offer affordability programming, Madam Chair. So SaskPower has a number of initiatives, one of which is the energy assistance program, which is a free program for energy qualified customers and includes a free home walk-

through, energy coaching, and the free installation of several energy-saving products, such as a smart thermostat upgrade, low-flow water measures, a drying rack, and LED [light-emitting diode] lighting. Customers can save up to an estimated \$230 per year on their electricity, gas, and water bills via that program.

We have the northern First Nations home retrofit program as well. Heating sources are eligible to receive no-cost home retrofits, such as upgraded insulation, window and door replacements, and LED lights. Participating First Nations also receive education around energy efficiency to increase knowledge and awareness of their energy use. Participants living in an electrically heated home can save an average of \$500 per year on their power bills.

We have the Indigenous new homes rebate, also a SaskPower program. Financial support is offered to eligible Indigenous communities to help make new home builds more energy efficient during the construction process. Homes constructed with the Indigenous new homes rebate can save between 1 to \$3,000 annually on their power bills based on the energy performance standards of the home built. The rebate's open to eligible Indigenous communities in northern Saskatchewan who rely on electric heat as their primary heating source.

Energy efficiency discount program, also of SaskPower in collaboration with SaskEnergy, partners annually with local retailers across Saskatchewan to offer point-of-purchase discounts on a variety of energy-efficient products.

We have the home efficiency retrofit rebate, a SaskPower program but also in partnership with SaskEnergy. This program offers rebates to eligible Saskatchewan homeowners to enhance their home's comfort and efficiency with high-performance windows, doors, insulation, and air-sealing retrofits.

The commercial energy optimization program, SaskPower program, provides commercial customers with support for managing their power costs by offering expertise, education, and financial incentives for identifying energy efficiency opportunities and implementing energy efficiency improvement projects. This program leverages funding from NRCan's [Natural Resources Canada] deep retrofit accelerator initiative.

SaskEnergy, commercial space and water heating rebate program. As a part of SaskEnergy's commercial space and water heating rebate program, SaskPower provides a rebate on a prescriptive list of high-efficiency HVAC [heating, ventilating, and air conditioning] equipment to encourage business customers to select the most efficient equipment for their needs and to reduce their cost deferral period. Customers are still required to pay their current monthly bills.

With regard to SaskEnergy, SaskEnergy sets its delivery service level rates at a level that remains competitive with other jurisdictions in Canada while ensuring the maintenance of safe, reliable, and affordable natural gas across Saskatchewan. SaskEnergy supports customer affordability through energy-efficiency programs — referenced a couple of those — to help residential and commercial customers manage their energy use and reduce costs over time.

SaskEnergy's incentive programs help residential and

commercial customers save money and make their monthly bills more affordable. Through SaskEnergy programs, customers can access rebates when they install high-efficiency equipment in their homes or businesses, purchase energy-efficient products for their homes, or build homes to higher energy-efficiency tiers. These programs help customers increase indoor comfort, reduce natural gas usage, and lower energy bills over the long term.

With regard to SaskTel, SaskTel offers discounts for customers who bundle multiple SaskTel services. SaskTel also offers a variety of promotions and incentives that provide customers with a reduced rate for a period of time. SaskTel participates in the Government of Canada's connecting families initiative, which offers discounted internet services to low-income families and seniors. Connecting families internet plans start at 9.99 a month; however eligible residents must receive a letter of support from the Government of Canada to sign up for the initiative.

In 2021 SaskTel launched Lūm mobile, which offers Saskatchewan residents a lower . . .

Chair C. Young: — Minister, the member has asked for a point of order. Can I ask what your point of order is?

[18:30]

Aleana Young: — Thank you, Madam Chair. The question was very specific about a federal government program, and it's a simple yes or no. If the minister and his officials require more time to get that information, I am happy to receive it at a later date.

Hon. Jeremy Harrison: — Well I would just say, Madam Chair, what I heard was the affordability in the Crowns.

Chair C. Young: — The minister did mention and reference some federal programs that were part of CIC's programs. But if you want to ask your question again, maybe make it a little clearer for the minister if it doesn't pertain to affordability.

Aleana Young: — Madam Chair, I'll ask it again. Can the minister or officials clarify whether the Canada Greener Homes affordability program will or will not go ahead in Saskatchewan?

Hon. Jeremy Harrison: — The Canada Greener Homes program ended on October 2nd, 2025.

Aleana Young: — Thank you, Madam Chair. Can the minister clarify why proponents in Ottawa are identifying the continuation of this program and have flagged concerns that Saskatchewan will not be participating in this despite 70 per cent fund matching from the federal government?

Hon. Jeremy Harrison: — So I would just say this, Madam Chair. Number one, this doesn't have anything to do with CIC. And number two, the Canada Greener Homes loan program ended on October 2nd, 2025. Look at the website.

Aleana Young: — I suppose that's an answer, Madam Chair. In regards to ISC [Information Services Corporation of Saskatchewan], can the minister confirm whether any bidders in the current sale process for Information Services Corporation have requested or made their offers conditional on changes to

Saskatchewan legislation or if ISC is making the legislative requests?

Hon. Jeremy Harrison: — So thanks, Madam Chair. And we had a discussion about this in question period today. I have very little to add to the response that was provided to the House during question period. I think the member may not, but the members should well know, that if there is a bill on notice that hasn't been introduced in the House, obviously we can't speak to any details of what the bill is until it's tabled in the Assembly.

So I would say this. The House has been well aware that there's a strategic review under way. ISC board initiated that strategic review. We supported the strategic review of the board with the very clear direction to our members, who we appointed to the board, that the review had to keep top of mind the interests of this province, meaning the retention of the golden share, meeting the retention of the head office in Saskatchewan, retention of jobs here in Saskatchewan, and you know, seeing potential growth opportunities for ISC into new markets, all while ensuring land titles fees remained affordable.

So that is the response that I provided to the House earlier today. I am not going to go beyond that response. That will be the response I will provide. Any subsequent questions here or responses to that will be that.

Aleana Young: — Thank you, Minister. Madam Chair, I do have further questions. They don't pertain to the specifics of the bill. Has the government consulted with either ISC or the bidders prior to drafting these legislative changes? And were any specific provisions included at the request of those bidders?

Chair C. Young: — That is specific to the details of the bill and, as the minister said, he will not go further into those details. So you have your answer. So if you have other questions with regards to CIC, you may move forward.

Aleana Young: — Thank you, Madam Chair. So to be clear, are these legislative changes being driven by what is in the public interest or what potential buyers may be asking for to complete this sale?

Chair C. Young: — Minister, if you'd like to repeat who initiated it and where it is at.

Hon. Jeremy Harrison: — Well I can, you know, I'm happy to provide the response I provided to the House earlier today, to the committee only a few moments ago, but happy to provide that again.

There is a strategic review that is under way that was initiated by the ISC board. The government was supportive of that strategic review being initiated, with the clear direction to our board members that the interests of the province were the paramount consideration, meaning that the golden share would be retained, that the head office would remain in Saskatchewan, that we would protect Saskatchewan jobs, look at options to grow ISC into new markets, and ensure that the land titles fees remain affordable. That was the direction and that is where we will leave it.

Aleana Young: — Thank you. So with whom did you consult in

advance of the introduction of this legislation . . . the drafting of this legislation? . . . [inaudible interjection] . . . It's a question about consultation, Madam Chair.

Chair C. Young: — It is a question about consultation, but as the minister said, they did not initiate it. ISC initiated it. You've got your answer in that, and their strategic review is ongoing at this point in time. There is no other aspect to it.

Aleana Young: — Thanks, Madam Chair. So to be clear, the changes that may be contained in the forthcoming legislation were driven exclusively by ISC. That's what I'm hearing?

Hon. Jeremy Harrison: — Well the member can kind of try and make up positions, but I would say this, Madam Chair, which I've already indicated that there's a strategic review under way. There's a bill that's on notice in the House. I obviously can't speak to the bill. You know, there will be an opportunity, a committee, whether it be at committee stage or second reading for debate on the bill at the appropriate time. The bill's on notice. I can't speak to details of the bill.

Aleana Young: — Thank you, Madam Chair. Respectfully, these are I think important questions, and they're fair to put to the minister who may or may not choose to answer them. But these are questions that are important to the people of Saskatchewan, and I do intend to continue asking them, Madam Chair. So in regards to . . .

Chair C. Young: — You have received now four times the answer to the fact that the bill is not on the table. It has not even been discussed. So if your questions are pertinent to that legislation, there can be no answer at this point in time. So save them for another time.

Aleana Young: — Thank you. Will the government commit to requiring ISC to publicly release key terms of the proposed transaction for ISC before . . . Pardon me, publicly release the key terms of the proposed transaction for ISC, including bidder conditions, valuation assumptions, and any draft service agreements so that members of the legislature have full transparency regarding what the government is asking for?

Hon. Jeremy Harrison: — So what I would reiterate for the member and for the opposition, there's a bill on notice in the Assembly right now. It's not just inappropriate, it would be wildly inappropriate for me to comment on any elements of that bill prior to the House being in possession of the bill. That is an absolute cornerstone of parliamentary law and procedure. So I will not be commenting on the bill prior to the bill being introduced in the House in any way, shape, or form.

What I would suggest to the member and to members of the opposition is that once the bill is in the Assembly at second reading, they will have every opportunity for debate on that bill. At committee stage, they will have opportunity to put questions to the appropriate minister and officials with regard to the bill that has been tabled in the House.

And that is the way the process works, and that is the way the process will be followed. And I'm not going to breach the rules of the House by speaking to any of that prior to the bill being tabled.

Aleana Young: — Thank you, Madam Chair. Will the government table the amending agreement to the ISC master agreement that was signed in 2023 so that all MLAs [Member of the Legislative Assembly] have the information available to review the forthcoming legislative changes?

Kent Campbell: — So I can answer that one. Kent Campbell, president and CEO of Crown Investments Corporation. So the master of services agreement, CIC is not a party to. That is a document between ISC and the Ministry of Justice, so that would be the appropriate agency to direct that question.

Aleana Young: — Thank you. Has anyone in the government done an assessment of the potential corporate tax revenue losses if significant portions of ISC's operations end up outside Saskatchewan?

Hon. Jeremy Harrison: — Once again, I would just kind of reiterate, Madam Chair, I mean, these questions are all presupposing legislative changes that haven't been tabled in the House. So even by speculating on some of these questions, it would be, again, inappropriate given that the House has not actually received the bill. So I won't be commenting on these.

Aleana Young: — Thank you, Madam Chair. Circling back to the master service agreement, the terms included an initial one-time payment of \$150 million from ISC to the Government of Saskatchewan and additional payments of \$30 million each year for the following five years starting in 2024.

And starting in 2033 the agreement allows for contingent payments for the remaining life of the agreement tied to the overall growth of the registry revenue. What are the contingent payments after 2023 that the government expects to receive and why is there a gap between 2029 and 2023? What is the Government of Saskatchewan receiving under the terms of its agreement with ISC for those intervening years?

Kent Campbell: — Kent Campbell, CEO of CIC. That is really a question best put to the Ministry of Justice. We were not a party to that agreement. We were obviously aware of it, but in terms of the specifics around payments, that's a question better for the Ministry of Justice.

Aleana Young: — Thank you, Mr. Campbell. Moving on to the data centre that the minister referenced in his opening remarks. And I should clarify, Madam Chair, in estimates last week the Minister of Trade and Export confirmed that these questions should specifically be directed to CIC. But as part of that investment, SaskPower committed to providing 300 megawatts of power, which has been confirmed by Bell.

Can CIC confirm where those 300 megawatts of power came from? Did we have them existing idle in the system? And a second question on this matter: where has Bell obtained their natural gas from which they've confirmed is a firm contract for their backup power requirements?

[18:45]

Hon. Jeremy Harrison: — No, thanks. Thanks, Madam Chair. So I'm really excited about this project. I can inform the committee — I think probably not a surprise at least to members

on the government side — this is really a remarkable investment. Bell is going to be moving forward with this project, you know, \$12 billion overall project, one of the largest investments in the history of the entire country. The largest data centre, really, which will function as almost the AI [artificial intelligence] and data backbone for sovereign AI and sovereign data in the entire country.

And really where — getting to the member's specific question as I understand it — really only possible because of the decisions that we took as a government through the energy security strategy and prioritizing energy security and reliability and affordability on baseload power generation.

We are one of the only jurisdictions in North America that actually has power, baseload power, to allocate to a development and project of this . . . to a project of this magnitude, Madam Chair. And I can tell you there were other provinces who were looking to secure this investment as well, including Manitoba, who would have loved to have been successful in securing this investment that Bell is making in Saskatchewan.

We really were in and are in a very unique position in this province in actually having baseload power to allocate to large-scale projects. Whether it be the two new uranium mines, whether it be a new potash mine which is getting close to production, whether that be a new copper mine in northeast Saskatchewan, we are really in a very, very unique position. And SaskPower I know will be happy to speak to just how unique that position is during estimates tomorrow night as well in probably more detail. But we really are in a very unique position on this.

So we had the existing capacity on our grid right now. We had the transmission capacity to be able to move that amount of power right now, where other jurisdictions simply did not. With regard to the Bell project itself, they are going to be — my understanding is — going to be constructing backup power on site as a part of the project.

SaskEnergy will be providing gas for that backup power when necessary. You know, that agreement will be directly negotiated between SaskEnergy and Bell. And I'm not . . . I don't think that that negotiation has been concluded at this point.

Aleana Young: — Thank you, Madam Chair. One point of clarification on this specifically as it relates to natural gas. I understand there have been concerns about access to natural gas for industrial development in Saskatchewan for some time. And I'm curious. The natural gas that has been committed to Bell . . . And Bell's identified that it'll be 300 megawatts on site of 103-plus megawatt reciprocating engines that they'll building out as backup. I just want to be clear that the natural gas to provide that backup power is coming from SaskEnergy; it's not coming from SaskPower's gas assets.

Hon. Jeremy Harrison: — I'd say this. Kent and I just had a brief discussion. I've never heard a concern about access to natural gas from large industrial customers ever. So I'm not sure where that comes from.

But what I can say is SaskEnergy have been one of the partners at the table right from the very beginning of this. And I would say as well the ability to attract an investment of this magnitude

and scale, really you need to . . . The circumstances of our province as well, I would say, why we have a real competitive advantage in this space.

I mean part of it is geographic and climate-related, but really the ability to move very rapidly with regard to process and making a determination allocation and being in this unique position of actually having allocatable baseload power, along with the other Crowns at the table who were able to participate directly as well as a part of the discussion to get to where we're at right now, was really a remarkable effort.

And I give a lot of credit to our Crown CEOs who saw the opportunity and saw what a transformative investment this would be for the province and were very enthusiastic about the role their Crown could play at the CEO level in making this a reality. So we had all of the . . . well at the announcement even we had, you know, SaskTel, SaskEnergy, SaskPower. All played a direct role in getting to that point of announcement what is a transformative, third-largest investment in the history of the country happening here. The second one is also happening here in the Jansen potash mine.

And I would just say it's really very disappointing. I actually expected that we were going to have support from the opposition on this. I actually thought we were going to have support on this, given just how self-evidently important it is for the economy, not just of the entire province, but for Regina as well. Going to result in hundreds of jobs directly. So it's a bit disappointing and I have to say, a bit surprising, that the opposition have decided to oppose this.

Aleana Young: — Thank you, Madam Chair. That couldn't be farther from the truth. I'll correct the record. We've been clear.

And for any industrial development, regardless of where it occurs, especially novel developments for Saskatchewan — this type of economic growth development is new for Saskatchewan and new for Bell — it's very important to have open and constructive dialogue with citizens. This is best practice for industry. This is very well known.

And there are a number of very normal people who live in the city of Regina who have very legitimate questions and deserve answers from their government. And as the official opposition we have a duty to try and get some answers for people in the province. That has nothing to do with opposing projects or opposing economic development, Madam Chair.

But my question was about natural gas and the firm commitment to the Bell data centre, and whether that gas came from SaskEnergy or whether that was SaskPower's gas assets.

Hon. Jeremy Harrison: — So I can provide some additional for the committee, Madam Chair, clarity. And this is from the news release announcing the project:

SaskEnergy would develop natural gas infrastructure for Bell's on-site, gas-fired, power generation to support the data centre's peak operational demand, as well as backup power generation. This would include construction of a new, high-pressure pipeline and high-volume meter station.

SaskEnergy.

Aleana Young: — Thanks, Madam Chair. Indeed that was in the press release. I'm talking about the actual commodity, the volume of natural gas itself.

Hon. Jeremy Harrison: — You know, I find this an interesting line of questioning. You know, on the . . . I've answered the question, but for . . .

Aleana Young: — Madam Chair, for the record, he hasn't. I don't know why this is a controversial question.

Hon. Jeremy Harrison: — Yeah, and the question has been answered.

Chair C. Young: — Member, yeah, he did answer the question. It was being provided by SaskEnergy along with the backup by SaskEnergy.

Aleana Young: — Madam Chair, respectfully, he spoke about the infrastructure. I just want to clarify whether the gas itself . . .

Chair C. Young: — He said from SaskEnergy. I don't know what more you want.

Aleana Young: — The press release the minister cited talked about 80 permanent jobs. To be clear, are these 80 permanent jobs situated here in Saskatchewan?

Hon. Jeremy Harrison: — Yeah, I mean I think we were pretty clear about the 80 jobs that are directly associated and then hundreds that are indirectly associated, which Bell spoke to as well, in addition to the 800-plus construction jobs that go along with it.

Which again goes back to my disappointment. You know, the NDP [New Democratic Party] can characterize their opposition however they want. It's amazing though on every large-scale project in the province, they find a way to be in opposition to every one of them. You know, that's why they've sat where they sit for 20 years, Madam Chair.

The reality is that we worked very hard with Bell. We asked them questions. Bell provided the answers. Bell have provided the answers through a number of different forums with regard to the questions for which the opposition will not take yes for an answer, which again goes to the "let's find a way to oppose this," which they're going to, which they are.

The reality is that this is an enormously significant project that our Crown corporations and our Crown corporation CEOs deserve a lot of credit for working directly with the company to getting to the point where we could be announcing a \$12 billion investment for this province.

Aleana Young: — Thank you, Madam Chair. Again I don't think this is an appropriate use of committee time, just to be engaged in ad hominem attacks. These are important questions for this committee to consider and for the people of Saskatchewan. We're not opposed to this project. Madam Chair, I've said this a number of times. I'm happy to correct the record every time if the minister feels it's important to use his position to do this, but

frankly it's a little bit embarrassing, I think, for the committee and the officials to sit through this.

With the acquisition of SaskPower's land for the development of this project, was that directed by CIC or by SaskPower?

[19:00]

Hon. Jeremy Harrison: — So thanks, Madam Chair. So with regard to the land — I believe was the question — I can say that Bell was entirely responsible for the acquisition and purchase of the land. The government, SaskPower, had nothing to do with it.

Aleana Young: — Thank you, Madam Chair. Will Bell be paying the capital costs of hooking up to the grid?

Hon. Jeremy Harrison: — Thanks, Madam Chair. So I can confirm that Bell, as any other corporate customer, is paying the cost of the hook up, the incremental cost of the connection. There's no subsidy. There is no incentive. Bell is paying for all of those costs.

And I add as well, just if I could, Madam Chair, as we're talking about the kind of financial elements that go along with the investment, what I can tell the committee — and I'm not sure if this has been publicly discussed or not yet — but just the magnitude of the financial benefit for the people of this province. Over two years of construction, the PST [provincial sales tax] alone that is going to be going into the construction of this facility is \$700 million, which is schools and highways and health care. That is the direct benefit beyond the jobs, beyond the construction jobs. That is the direct implication and benefit for the people of this province.

And I can say as well — and I've used this number publicly — but the annual power, I mean given the significance of the new customer for SaskPower, we're talking nine figures. The annual power bill, approximately \$200 million a year. This is an enormous benefit for the people of this province. And it's going to, you know, make a difference in the lives of hundreds of people.

Aleana Young: — Thank you, Madam Chair. Bell has confirmed — thanks for the segue, Minister — they'll be paying the full tariff rate for their electricity that they'll be consuming. They've also confirmed that they have an agreement in place with SaskPower to sell power back to them should SaskPower be looking to purchase additional electricity. Can you speak to the rate that SaskPower will be buying from Bell at?

Hon. Jeremy Harrison: — I'll just say, I mean that'd be probably better put tomorrow when we have SaskPower officials here to be able to respond in detail.

Aleana Young: — Thank you. So the PPA [power purchase agreement] then would have been facilitated and led by SaskPower, not by CIC?

Hon. Jeremy Harrison: — No. SaskPower is obviously responsible for those.

Aleana Young: — So in regards to some of Bell's corporate goals, they've been quite focused traditionally on carbon

neutrality with scope 1 and 2 emissions. I believe they reached carbon neutrality in 2025 based on their shareholder response, although of course they do recognize that there's a risk to that with development of data centres, which are higher consumers of power of course by nature.

How is Saskatchewan — through SaskPower, other entities — going to be assisting Bell in meeting these shareholder targets? I'd note, Madam Chair, Bell has indicated that the province has talked about an expansion of hydro and renewables as part of this project to help them meet their clean electricity goals.

Hon. Jeremy Harrison: — Yeah, I'd respond by saying, you know, Bell can speak for themselves with regard to their objectives and goals. I mean we've been very transparent. There's no mystery about the power grid that, you know, we have and the direction that we're going in. There is no mystery about what that direction is.

And I would say again, there is no replacement for dispatchable baseload power. There is no replacement for it. And you know, I'm sure we'll have an opportunity to have a comparison of the plans, but the direction we are taking is the responsible, realistic, pragmatic direction that is resulting in hundreds of millions, billions of dollars of investment into this province.

And why is that? It's entirely facilitated because we have dispatchable baseload power. That we have energy security in this jurisdiction, which is our focus, using Saskatchewan resources to produce power here in this province to keep the lights on and to power our growth, that is the direction that we're going in and it's working.

Aleana Young: — Thank you. Just to be clear then, there's no planning through CIC or SaskPower to build out additional hydro or renewable capacity to support clean electricity for this project as has been stated?

Hon. Jeremy Harrison: — I mean electrons are agnostic as to where they come from on the grid. What I would say is the only power projects I've actually announced as minister have been renewable power projects.

I've announced two wind power projects, Seven Stars and Rose Valley. We've announced two solar projects as well, of which one is initiating construction very, very quickly here if it's not already started construction. And a second around Coronach as well, which is going to be, you know, 700 additional megawatts of nameplate power generation capacity through renewable power generation.

So you know, the argument that we're somehow not taking an all-of-the-above approach is entirely and completely wrong. But we are being responsible and realistic about making sure that we retain the capacity to have dispatchable baseload power on the grid. Jurisdictions who have gone down the path that the opposition are advocating for have met with catastrophe, absolute catastrophe. Look at what the Europeans are going through right now, after shutting down baseload dispatchable power in enormous quantities over the last year or last 15 years in pursuit of this green, ideological, far-left objective. It has been a disaster.

And what are they doing right now? They are rebuilding and life-extending their coal plants right across the continent because energy security actually matters. And importing your feedstock on your baseload, which they were doing, primarily from Russia . . . Well somehow that didn't quite work out either. You need to prioritize energy security in your jurisdiction. That is the responsible approach to take.

And that's exactly what we're doing in this province, Madam Chair. And not only is it going to provide energy security in this generation, it's going to provide energy security for generations into the future and beyond that. This is what has enabled billions of dollars of investment to come into this province, creating thousands of jobs.

And if the opposition wants the government to apologize for that, we're not going to. We're very proud of the direction that we're taking. We're very proud of the decisions that we have taken with regard to energy security. They are the right decisions for Saskatchewan. They are resulting in investment, in jobs, in the ability to keep our lights on when it's minus 40, rather than relying on importing gas from a jurisdiction outside of Saskatchewan or relying on wind that you have to shut down because it doesn't work when it's minus 40. We are not going to apologize for that.

Aleana Young: — Thank you. Thank you, Madam Chair. I don't think that was an argument. I'll take that as a no from the minister that we will not be building out additional hydro or renewable to support the goals of the project proponent as they've stated. I do always find it . . .

Hon. Jeremy Harrison: — That's entirely a misrepresentation, Madam Chair, of what was just said. I began by talking about the enormous investments that the government is making into renewables right now — 700 megawatts of new renewables that are in construction, under way, in progress right now, which is an enormous investment that the people of the province are making through SaskPower in long-term PPAs for renewable power generation.

So the assertion again is entirely wrong. We've taken an all-of-the-above approach, but we are not going to be apologizing for making responsible decisions with regard to dispatchable baseload power in addition to the investments that we're making into renewable.

You know, hydro is a challenge. I mean we're making significant investments into the life extension of existing hydro assets right now as well — very significant investments — and we can talk about that in maybe more detail tomorrow night about what exactly those are, but we are making significant investments.

The reality is though that we do not have the same hydro asset that exists in British Columbia, in Ontario, in Quebec. If we did, I mean I'd be thrilled. I'd be the front of the line to . . . let's build more hydro. But the reality is that we don't have that option. That's the actual reality.

Aleana Young: — Thank you. Moving on, Madam Chair. For the Saskatchewan rate review panel consulting costs, for '25-26 there was a \$583,000 budget. What was spent for '25-26? And what's been budgeted for '26-27?

Kent Campbell: — I'll take this one. So for the current upcoming fiscal year, we have \$1.4 million budgeted.

[19:15]

Last year our . . . We don't have the final numbers because the fiscal year just ended. But we had budgeted about 1.1 million, and as of the beginning of April we had only spent about 534,000 of that.

Aleana Young: — Forgive me, Deputy Minister. Can you help me reconcile that 1.1 million to the numbers that were provided to the committee last year? That's where I got the \$583,000, although I do recognize that you did say at the time typically a million dollars was more of a standard budget line for each year. But the 583 came right from this committee last year.

Kent Campbell: — Yeah, the number I have here with me was that our budget last year was just over 1 million. The year before, in 2024-25, it was in that range that you were talking about, so that might have been the difference. But that was really very, you know, unlikely to . . . We didn't have any rate reviews that year, so you just base that on that. And so what I have, it was 1.1 this past fiscal year.

Aleana Young: — Thank you. And obviously, Deputy Minister, it begs the question: with a higher budget projected for next year, understanding that there is currently one application before the rate review panel, can the committee and the public anticipate additional rate applications going before the rate review panel?

Kent Campbell: — So the reason we budgeted more for this year is we have two very, very significant rate reviews under way. If you look at the case of the Auto Fund, for example, there had not been a rate application since 2014, and so there's just a whole bunch of extensive work. And we wanted to make sure that we had enough budgeted for any of those scenarios. But there's only two rate reviews currently being considered.

Aleana Young: — Thank you. And there are currently no additional rate reviews being contemplated?

Kent Campbell: — There's a whole process that would need to be gone through if there were to be other, but right now we have two rate reviews that have been approved by cabinet and are under way.

Aleana Young: — And the budget identified for this year's rate review panel, that is a budget that is identified specifically and exclusively to serve the two applications before the panel, correct?

Kent Campbell: — The budget we have this year is really meant to cover all scenarios. And we know we have two, and we knew they'd be very large, so we wanted to budget appropriately.

Aleana Young: — Funding for union-led training has been discussed by CIC, and I understand this is something that has been committed to. But in the last year officials indicated that no dollars had been allocated. Has funding been allocated this year for union-led training? And if so, how much and from where?

Hon. Jeremy Harrison: — So thanks, thanks, Madam Chair. I

would kind of start by saying what enormous respect we have for the folks who are working in the trades, in the building trades, in a unionized capacity — not just the building trades, but other trades as well in a unionized capacity.

We're going to talk about it a bit tomorrow as well, but you know, the amazing work that's gone into for example the refurbishment, the work that's been done on Boundary dam unit 4 has been . . . There have been a lot of building trades, workers, labourers, who have been working, skilled tradespeople working on that project. We're going to have an announcement on that tomorrow as well.

We'll talk about that in more detail tomorrow, but I would say this. I mean, we've been working very closely with leaders in the union movement over the course of the last couple of years, you know, a number of building trades, but not just confined to building trades. We've been working with the building trades council very closely as well. You know, I think that there is going to be some real opportunities as we move forward, because I think that we really do have interests that are very much aligned.

We want to build stuff. We're attracting investment by the billions of dollars, which means we need to have the workforce to be able to actually turn that into reality. And we do, but we're going to need more. And I think that there is going to be some very real opportunities for collaboration, for working together.

We're already doing, you know, a significant amount of that collaboration today. You know, the kind of specific questions are really better put to our colleague at Immigration and Career Training, which is where I would direct simply because that is the ministry responsible for a lot of these. And you know, I obviously had the honour of being minister of Immigration and Career Training for a decade. So there are going to be some, you know, I think there are going to be some very exciting developments as we move forward. But I'm not going to be making any announcements today.

Aleana Young: — Thank you. Will CIC or any of the Crowns be making equity repayments to the GRF [General Revenue Fund] for this coming year?

Kent Campbell: — We do not anticipate any equity repayments from any of the Crowns this year. Usually those occur whenever earnings are significantly higher than anticipated or if there's an asset sale, those kinds of things. But we don't have any plan for this year.

Aleana Young: — Thank you. And can you help me understand the rate affordability grant? Is this in essence an equity advance?

Hon. Jeremy Harrison: — Yeah, you know, Kent will maybe add a bit more. But it's called an affordability grant because it's an affordability grant. It's a grant that we are making from CIC to SaskPower with the explicit objective of maintaining affordability for power rates. That is the objective behind the affordability grant and that is, you know, an investment that we're making into keeping power rates as low as we possibly can.

Kent Campbell: — Yeah, and maybe I would just add, certainly that's how we are contemplating it and structuring it. It's a grant. CIC has very broad powers under its Act and so this is a grant specifically to SaskPower to keep rates low.

Aleana Young: — Thank you. And so then is it anticipated this will continue as an annual measure?

Hon. Jeremy Harrison: — I would say, you know, look, we haven't made decisions for the budget year, so there'll be consideration as a part of the next budget cycle as we move forward.

Aleana Young: — Thank you. And if this does continue into the future, can you perhaps provide a little bit more detail about how the figure itself has been chosen? I believe it's — forgive me, I don't have it in front of me — \$174 million I think this year, -ish.

Yes, I'm seeing a nod. Thank you. If that continues going forward, is that a flat rate? Will that increase as costs or inflation go up? Can you just help the committee understand a little bit more about this new grant?

Hon. Jeremy Harrison: — I would just say, look, I mean, the previous answer I gave which is that consideration is given year to year. So we're not going to be speculating on future years, given the fact that no decisions have been made.

Kent Campbell: — And maybe I'll just add. It is 175 for this fiscal year, sorry. Yes.

Aleana Young: — Thank you for that correction. Actually, let me back up. What is CIC's forecasted consolidated earnings for the coming year and what were they for '25-26 and budgeted for 2026-27? My understanding is that you do break this down by business enterprise. So if you have that and could provide it for the committee, I'd appreciate it as well.

[19:30]

Kent Campbell: — So I can list the earnings projections by Crown, including the Auto Fund, which is not a Crown but which does get incorporated into . . . is considered obviously part of it.

So starting with Lotteries and Gaming Saskatchewan, the '26-27 budget is \$220.7 million; the budget in 2025-26 was 201.2 million. For SaskPower the projection is 138.4 million for '26-27; the budget in '25-26 was 126.3 million. For SGI Canada we are projecting earnings of \$102.7 million, and the budget for '25-26 was 90. SaskTel, the budget for '26-27 is 78.8 million, and the budget for '25-26 was 116.6 million.

For SaskEnergy the budget for this current year is \$181.9 million, and \$42.5 million budgeted in '25-26. For SaskWater the budget is 7.4 million for '26-27, and the budget for '25-26 was \$6 million. The Saskatchewan Auto Fund, the projection is negative 242.5 million; the budget for last year was 230.8 million. So for total government business enterprises, 487.4 versus 351.8.

I would like to note a couple of things here in relation to those numbers. First of all in relation to SaskEnergy, you will note there's a pretty significant increase there relative to what you saw last year. And the biggest part of that is customer contribution revenue for large projects, and in particular the SaskPower Aspen power station which does get reversed out. But we show that on SaskEnergy's income, so that's why that one is significantly

higher.

You'll also notice that SaskTel is down a bit. And that's really due to just the competitive environment that they're in. There's a lot of pricing pressure right now. And of course they're doing some very significant investments for us in terms of expanding coverage for Saskatchewan people. So that's just a couple that I would note in terms of some of the differences.

Aleana Young: — Thank you very much. How many FTEs has CIC budgeted for '26-27? And how many FTEs did CIC have on staff in '25-26?

Kent Campbell: — So in terms of FTEs for this current year, total permanent staff we're estimating at 71. We have five divisions. I can just give you a bit of a breakdown on that if that's helpful.

So we have 14 in the president's office. That includes communications. That includes our stakeholder engagement. That includes our Indigenous engagement. My office, obviously.

Crown sector priorities, which is where we drive the collaboration work. Investment attraction, procurement, supplier development work has eight. Crown energy security division has 11 people, which provides both support for oversight of nuclear development and also energy security more generally.

Our finance and administration division is our largest. It has 22 people. And then, Crown services, which is the supports that we provide — internal, both HR, legal — as an example, but also supports to the Crowns in that respect. As well as our governance officers and support for the Crowns has 16. And that compares to 69 full-time employees from last year.

Aleana Young: — Thank you. As it relates to the nuclear work at CIC, last year in committee Mr. Brock referenced that there were 28 firms working towards their nuclear accreditation in Saskatchewan. And I'm hoping, Deputy Minister, either yourself or the minister can provide an update on how they have progressed, if that number has grown, how many have potentially achieved that accreditation, and what that target or goal is for firms in Saskatchewan.

Hon. Jeremy Harrison: — All right. Thanks, Madam Chair. I can provide a response on this very exciting area — nuclear — where we are seeing Saskatchewan companies who are deeply engaged in the opportunities for involvement in the nuclear supply chain.

I think what the member had referenced in her question was, last year, where we were at with regard to the number of Saskatchewan companies that were going through the nuclear accreditation process at 28, and I think that was what we reviewed as being accurate from Crown Investments Corporation. I can tell you, this year there's over 150 that are going through, or are at various stages in the nuclear accreditation process, which is really remarkable because this is not an easy process to go through in any way, shape, or form. There is a significant process where suppliers have to hold or pursue specific accreditations.

[19:45]

CSA N286:12 is the designation for management system requirements for nuclear facilities here in Canada. It is a process that is not cheap to go through, and it can take a couple of years for companies to obtain their accreditation. And it can cost between \$500,000 and \$2 million for companies to do it. So for companies to move through this process, it really is a very significant commitment showing faith in the future of nuclear to garner that specific accreditation.

I would say as well, we've appreciated the relationship and discussion with the Government of Canada in this space as well. I've said publicly, but I really do genuinely believe the nuclear space is a nationally unifying space. There are not many of these in the country, and I wish there were more. But nuclear really is one of them, where we have, you know, mining here in Saskatchewan, obviously power generation in Ontario at scale, power generation in New Brunswick as well, value-add and companies engaged in the nuclear space right across the country. And I really do believe that this is going to be an area of significant growth.

The Government of Ontario is and has been making significant investments into the refurbishment of their existing nuclear fleet. I've had the opportunity to see first-hand with Minister Lecce the work being done there. Very successful projects, I would add as well, with regard to the life extensions and refurbishments. Significant growth plans going forward.

The first SMR [small modular reactor] under construction right now at Darlington, you know, a significant project where there has been very real federal involvement as well. And I think that that is going to be something that really could be a framework and pattern for other jurisdictions across the country.

And I think everybody in this room probably knows I'm probably the last one to be giving the Liberal government a whole lot of credit, but I've appreciated the relationship on this front. But Minister Hodgson — I know, Madam Chair, you have a very good relationship with Minister Hodgson as well. They have been prepared to engage and in a real way be partners with provincial governments in this space.

So I think the future's going to be very bright here. We are very committed. We're working down the SMR path which we had announced some time ago now. We're going through the site selection process as we speak right now. You know, we are very, very seriously looking at and examining what a future could look like with large-scale nuclear reactors here in this province as well. And you know, we're going to have more to say in that space as we go forward.

But you know, I made a significant announcement on that back in January, initiating the technology selection process on large scale. And SaskPower are leading that technology selection process right now. So we're going to continue to move through that.

But there is an enormous opportunity for Saskatchewan companies to engage in the nuclear supply chain. And you know, we saw that just at the SMA [Saskatchewan Mining Association] convention last week. Three thousand delegates. Really a remarkable turnout and great credit to the SMA for the work that they did there. We've had some great work. SIMSA

[Saskatchewan Industrial and Mining Suppliers Association], the industrial mining supply chain association, has done remarkable work. And hats off to Eric Anderson and his team for the growth that we are seeing right across the industry, which speaks very, very well.

And the fact that we've gone from, you know, kind of 28 companies that were in process for nuclear certification last year to 150 that are in various stages right now speaks to the growth and speaks to the confidence that our companies have in what could be a very, very bright future for our uranium and nuclear industry as we grow that here in Saskatchewan.

Aleana Young: — Thank you, Madam Chair. It's refreshing to be able to agree on things in committee this evening. But I appreciate that answer and the positive news about the progress that has been made by companies in Saskatchewan moving through that.

In reference to investment attraction in that nuclear space, CIC officials have noted previously that they'd been pursuing opportunities in areas like the build-out of transportation facilities, like waste management from the SMRs. Can specific projects or opportunities be detailed and an update be provided to the committee? These were comments that were made in last year's CIC estimates. So just looking for an update on what was committed to last year.

Hon. Jeremy Harrison: — So thanks, Madam Chair. No, really a very exciting area, and actually I'd referenced the announcement with SIMSA just last week. Really a very exciting announcement, of which Crown Investments Corporation was a direct part: \$670,000 from the Government of Canada; \$286,000 from Crown Investments Corporation partnering with SIMSA, the Saskatchewan industrial mining supply association.

Really the point of that investment was creating the capacity for SIMSA to work with companies to garner their nuclear accreditation as a part of the nuclear supply chain, which really is going to be not just national — because we are going to have a national build-out in the nuclear space — but I think really a global supply chain that we have an opportunity to not just participate in but really be a central part of, given the fact that over a quarter of the world's uranium supply exists right here in our province. So how that position of genuine strength in the nuclear sector globally is going to be leveraged to secure investment, secure opportunities, build jobs, build futures for people here in that nuclear space is of central importance and significance.

And that really is why we have been engaging, not just here in this province, which we have been — and speaking to 3,000 people at the convention, mining supply chain convention, last week speaks to that — but engaging global, given the fact that we are going to be able to participate globally as a part of this nuclear renaissance that we're seeing right around the world. And the opportunities are going to go right from extraction — which we are, you know, one of the world leaders in, and I would say Cameco is the world leader in actual mining of uranium — right to generation.

And I've been talking about this since I've had the honour of becoming minister responsible. This is where we want to and

need to get to. And you know, I've been criticized for talking about third parties having significant equity interest in, whether it be an SMR, whether it be a large-scale nuclear reactor. But we're not going to apologize for that. I view that future as being, particularly with regard to Indigenous investment and equity investment into power generation . . . We have made that a central part of what we do at SaskPower right now.

But as we move into that nuclear space, having Indigenous partners with significant and real equity ownership positions in nuclear power generation facilities is something that we are deeply committed to. And we have worked very, very closely with the First Nations Natural Resource Centre of Excellence, which is the FSIN [Federation of Sovereign Indigenous Nations] organization tasked with representing Nations across the province in this space. And we have a partnership. We've signed an agreement. We've done some great work with the Centre of Excellence, who have been a great partner and I think it'd be fair to say share the same vision as the government does with regard to the future not just of nuclear power generation but right through that entire supply chain.

And having deep Indigenous equity participation both at the company level, whether those be companies at the tribal council level or whether they be development corporations of individual Nations or Métis communities, we need to have that vision and partnership to make that happen. And I think that we have broad agreement across the province that that's the right path forward.

So we're not going to apologize for having the opportunity for Indigenous equity ownership positions in nuclear power generation or right through that supply chain. It's something we really see as being integral to the future. And you know, we are very appreciative as well of our partners in all of this — the SMA, SIMSA, the First Nations Resource Centre of Excellence. There is some remarkably exciting things that are happening right now that we are really excited about, and it's just really quite an honour to be a part of that.

Aleana Young: — Thank you, Madam Chair, perhaps one last question as it pertains to the SMR investment fund. I believe last year the SMR investment fund had an opening balance of 584 and a half million dollars within your contributions of just over \$285 million and a closing balance of \$869.5 million. What is the projected growth and value of the fund for the '26-27 year?

Hon. Jeremy Harrison: — All right. Just time for a very short answer, so I'll give the number and then maybe I'll say . . . well I'll give an opportunity for you, to Madam Chair, to turn it over for closing. But the answer is 909 million.

Chair C. Young: — Having reached the agreed-upon time for these estimates for CIC, we will now take a 10-minute recess before we do the next one. But before that, if you have any closing comments, Minister.

Hon. Jeremy Harrison: — No closing comments, Madam Chair, other than just to thank the team at Crown Investments Corporation for the work that they do of great significance every single day. And especially to thank my friend Kent for his partnership through all of this in the last couple of years. Kent and I have worked together for 20 years around this place, and you know, beyond being the president of CIC, he's my friend. So

I want to say thanks to Kent.

[20:00]

Chair C. Young: — Ms. Young, if you have any comments.

Aleana Young: — Thank you, Madam Chair. My appreciation to you, to my fellow committee members, and to the minister, as well as the CIC officials for their work here tonight, their presence, as well as their ongoing work on behalf of the people of Saskatchewan. It does not go unnoticed, and it is appreciated. So thank you for your service.

Chair C. Young: — We will now do a 10-minute recess just to change out officials and recess ourselves before we go into the next part . . . [inaudible interjection] . . . Till morning? No, Doug.

[The committee recessed for a period of time.]

Chair C. Young: — All right. Welcome back, committee members. We will proceed with SGI now for the rest of this evening. And, Minister, if you would like to introduce your officials and begin with your opening remarks.

Hon. Jeremy Harrison: — Sure. Well thanks, Madam Chair, and thanks to members of the committee as well. Been a long day already, and I know members of the committee have probably had other engagements as well.

So I want to first introduce the officials from SGI joining us: Penny McCune, to my right, our president and chief executive officer; Drew Kendel, our EVP — executive vice-president — and chief financial officer; Robert Osicki, executive vice-president and chief insurance officer; Meghan Moorman, vice-president, operations; and my chief of staff, Emma Keogan.

SGI's comprised of two different operations. The Saskatchewan Auto Fund is the mandatory auto insurance program in the province, providing driver's licensing and vehicle registration services as well as auto injury insurance for all Saskatchewan residents. And of course the Auto Fund has a large role in traffic safety in the province helping to keep everyone safe on our roads.

SGI is a leader in traffic safety initiatives. The organization invests heavily in education, enforcement, partnerships, and public awareness campaigns aimed at reducing collisions and saving lives. Campaigns such as Drive Sober, Leave the Phone Alone, and winter driving initiatives are widely recognized across the province.

But, Madam Chair, it's important to understand this is not just about advertising. There are targeted, data-driven efforts focused on the behaviours that are actually causing collisions in Saskatchewan. SGI works directly with law enforcement and community partners to identify where collisions are happening, when they're happening, and why they're happening, and then directs resources accordingly.

This is a practical approach and is one that's focused on results, because every impaired driver taken off the road, every distracted driver who changes their behaviour, that is collision prevented, and that matters.

This past January we announced the provincial government was removing administrative burdens for some drivers of service rigs in the province's energy sector. Previously all Saskatchewan service rig drivers were required to get specific endorsements on their licence. They were also required to submit periodic medical fitness reports similar to drivers licensed to operate other heavy vehicles.

As of January the 20th, amendments to *The Driver Licensing and Suspension (Mobile Mounted Service Rigs) Amendment Regulations* will eliminate the G endorsement requirements for Canadian Association of Energy Contractors' member drivers; remove the requirements for CAOEC [Canadian Association of Energy Contractors] service rig drivers to submit periodic medical reports to SGI.

Service rigs spend approximately 95 per cent of their time performing well-servicing operations, with very little time spent in transit. When they are on roads, they are driven in convoys at speeds not exceeding 80 kilometres an hour and largely on secondary or rural roads. Service rig operators receive highly specialized training through a training program and certification process delivered through CAOEC, which is recognized by the provinces of Saskatchewan and Alberta.

[20:15]

The regulatory changes also harmonize Saskatchewan's standards with those in Alberta. In 2019 the premiers of Saskatchewan and Alberta signed a memorandum of understanding to help remove provincial barriers to the movement of service rigs. This builds on that work, and more broadly, it reflects our approach. We are not interested in regulation for the sake of regulation; we're interested in regulation that makes sense and reducing burden where appropriate.

The other side of the company, SGI Canada, is a competitive property and casualty insurer offering products in five of Canada's provinces. It operates as SGI Canada in Saskatchewan, British Columbia, Alberta, Manitoba, and both SGI Canada and Coachman Insurance Company in Ontario.

Operating in other jurisdictions allows SGI Canada to spread its geographic risk so that losses in one province can be offset by positive results in another. All SGI Canada products are sold through a network of independent insurance brokers, and that's something SGI Canada truly feels is a competitive advantage for the company.

I'd also like to thank the insurance brokers across the province, who are doing very important work each and every day. And I know they just had a successful convention as well. Insurance brokers are independent businesspeople who provide trusted advice and expertise to customers to help them ensure they have the right protection for the things they value. SGI has a strong network of 117 brokers in Saskatchewan, with an additional 156 brokers outside the province.

So that's a high-level overview of the two sides of the company.

Now let me talk in a little bit more detail about the Auto Fund. SGI is committed to keeping auto insurance rates amongst the

lowest in the country. However the financial landscape has shifted significantly. Rising vehicle repair costs, inflation, and the increasing complexity of modern vehicles have created a serious financial challenge that we must address.

And, Madam Chair, that's not unique to Saskatchewan. This is happening everywhere. Vehicles today are not what they were even 10 or 5 years ago. They include advanced sensors, cameras, on-board systems — technology that improves safety but also significantly increases repair costs. So even relatively minor collisions can result in much higher claims than in the past. For example the average cost for a vehicle damage claim has increased 25 per cent since 2020.

As you know, SGI has applied to the Saskatchewan rate review panel for a rate increase of 3.75 per cent in 2026 followed by a second increase of 3.75 per cent in 2027. This translates to an average annual increase of \$38 per vehicle in the first year, or about \$3 per month.

And it's worth emphasizing, this is the first rate increase since 2014 — over 11 years. We're not aware of any other insurer in Canada that has held rates flat for that long. The result is that the Auto Fund is experiencing a revenue challenge, and we need to ensure it remains financially sustainable for years to come.

We understand that any increase in cost is a concern for customers, and that's why SGI is taking a measured approach to ensure fairness. Rate rebalancing will make sure vehicle rates better reflect their actual plan cost. Rate-capping will limit the impact of increases for customers. And motorcycles and urban taxis will be excluded from year one while SGI conducts consultations with those groups.

Despite these increases, Saskatchewan drivers still benefit from some of the lowest auto insurance rates in Canada. That's because SGI is proposing a moderate, gradual increase over two years to balance fairness and affordability with maintaining financial sustainability. As a public auto insurer, the Auto Fund doesn't operate for profit; it operates on a break-even basis. And the Auto Fund does not pay a dividend to the province of Saskatchewan, so this is about cost recovery.

SGI remains committed to keeping Saskatchewan's auto insurance rates amongst the lowest in the country. I think it's important to point out that over the past 20 years, the consumer price index has increased 54.9 per cent, and Auto Fund rates increased only 5 per cent over that same time period.

The bottom line is, we're at a critical point where rate adjustments are necessary to ensure the long-term sustainability of the Auto Fund. Rising costs cannot be ignored, but we're taking a responsible and measured approach to minimize the impact on customers.

SGI is also taking other measures to address the financial challenges facing the Auto Fund. As of January 1st, 2027, the standard \$700 deductible will increase to \$950. All other deductibles will increase by about 20 per cent. I'll note that the deductible hasn't changed since 1998, which is getting close to 30 years ago, showing again that the Auto Fund has been keeping costs in check as much as possible.

The other change that was recently announced, also for January 1st, 2027, is that new administrative fees will apply to certain vehicle registration and driver's licence transactions. New or renewed driver's licences will have a fee of \$15, vehicle registration renewals will have a fee of \$5, and driver's licence payment transactions will have a fee of \$2.

These changes will offset costs to support the long-term sustainability of the Auto Fund, which is a program that is envied by other provinces. With these measures we want to ensure that Saskatchewan vehicle owners continue to have affordable and fair auto insurance for years to come.

Now let me turn to SGI Canada. While SGI Canada operates in five provinces as I mentioned earlier, of course the majority of its business is here at home. As you all know, this was an unprecedented year for wildfires. This has resulted in more than \$84 million in claims for SGI Canada as of the end of Q3.

I'm not sure if the committee's familiar with the concept of reinsurance, which is essentially insurance for insurance companies. When insurance companies suffer large losses, reinsurance can help to reduce some of those costs. However because of how this year's wildfires were considered individual events for reinsurance purposes, none of the losses from individual fires were large enough to trigger a reinsurance payment for SGI Canada. That said, thanks in part to better-than-expected investment earnings, at the end of Q3 SGI Canada was in a positive net income position of just over \$15 million.

Although I'm talking about business impacts of the wildfire, what's really important in these situations is the people who are affected by them. I want to thank sincerely the officials at SGI and their teams for everything they did to support residents in the North who were devastated by the wildfires.

To help prevent damage, where possible SGI Canada partnered with Wildfire Defence Systems to offer protection services to customers. This company came to our attention after the fire season had already started in 2025, but we plan to have them in place much earlier this year. Wildfire Defence Systems deploys crews to areas under immediate threat of wildfire. Their crews set up preventative measures to protect properties, helping those forced to evacuate their homes and businesses.

As for customers who were forced to evacuate, SGI Canada provided evacuation coverage to help pay for expenses. Cash advances were provided through e-transfer to get money to people as soon as possible, and flexible payment plans were available to customers to help pay deductibles on claims. SGI Canada also worked with other insurance companies to provide a coordinated response for impacted customers, no matter who they insured with.

SGI also took steps on the Auto Fund side to help customers. SGI made exceptions to rules for communities under evacuation orders, enabling people to safely leave by allowing them to drive with a lapsed vehicle registration and/or driver's licence. SGI also waived all fees for reprinting and expediting driver's licences and/or ID [identification] cards for people who were evacuated due to wildfires. And to help efficiently process claims, SGI activated its catastrophic loss response team, which specializes in responding to events of this nature.

SGI's auto claims department coordinated all efforts related to providing services to those impacted by the wildfires, including collaborating with community partners like collision repair, tow operators, and rental companies. I think these actions demonstrate the value both sides of the company provide to the people of Saskatchewan.

And before I conclude, I want to note that this may very well be Penny McCune's final estimates, who's spent a remarkable 40-year career with SGI. And I want to acknowledge that, Penny. We're not making any announcements yet, but I want to say thanks for the four decades of public service. Penny has been with SGI the entirety of her career, literally starting in the mailroom, right?

Penny McCune: — Junior clerk.

Hon. Jeremy Harrison: — Junior clerk. And working her way to be the CEO of the entire company. It's a remarkable story. And Penny's been a remarkable leader for the company, so we're deeply grateful, deeply grateful for that.

I've touched on SGI's tremendous efforts to support Saskatchewan residents and businesses during the wildfires, but I also want to acknowledge that the entire Crown sector played a pivotal role in Saskatchewan's response to last year's northern wildfires. I want to thank the incredible work of the men and women who worked to restore critical infrastructure and services during those fires. They helped protect Saskatchewan.

With that, Madam Chair, I'm happy to respond to questions from the committee.

Chair C. Young: — Thank you, Minister. And thank you, Penny, for 40 years of public service. That's amazing. And now I'll open the floor to questions. I'll recognize Mr. Warrington.

Darcy Warrington: — Thank you, Madam Chair, and thank you to the minister for his comments, all of the elected members of the committee, to staff and ministry officials, and in particular thanks to SGI CEO Penny. What an accomplishment to be in a career for that long. My mother was a schoolteacher for 38 years, so I know what it's like to have someone that dedicated to one particular role.

My name is Darcy Warrington. I'm honoured to be here today as the MLA for Saskatoon Stonebridge and the opposition critic for SGI. I particularly appreciated the minister's comments regarding what Crown corporations should do for the residents of Saskatchewan. Affordability, reliability, economic growth, financial management of the Crown assets — all admirable tasks that hopefully we can identify further on how SGI's accomplishing those goals through these questions.

I also appreciated that the proactivity of planning ahead to be successful 5, 10, even 20 years from now — comments made by the minister earlier — is admirable, and the importance to the people of the province in particular for the insurance of their motor vehicles and for their homes.

The Auto Fund increasing complexity of . . . Oh, sorry. I'm reading something that I typed from minister statements. I take notes. I'll skip past my notes.

It's a pleasure to ask questions on behalf of the people of Saskatchewan, who value the service SGI provides and expect some of the best value for car insurance in Canada. The people of the province are going through arguably the most challenging cost-of-living crisis in generations, and it's my belief that SGI has an opportunity to continue to act as one of the organizations that routinely in the past offered the most affordable services amongst many, be it power consumption, water consumption, energy consumption, food consumption, fuel consumption, the list goes on. People have always been able to depend on SGI.

And the minister mentioned some very admirable attributes of the last 10, 20 years with SGI. But there is a level of concern for many when you add up all the pressures from various budget lines for families, farmers, and businesses. SGI may be the organization in the best position arguably to continue the string of low costs for insurance that they've been known for for decades and decades and decades.

I apologize in advance if some of the themes or questions bounce around or return from time to time, as I have attempted to organize them by topic, so please bear with me.

Can the minister explain what sort of impact analysis is done before the decision to proceed with a rate hike is taken? In particular how did the ministry and SGI anticipate the rate hike would negatively affect insurers beyond the obvious increases of 3.75 per cent and requiring more money for the same level of insurance?

Oh, Minister, sorry. For further context, I'm talking in particular on delinquent payments or even estimates on the number of people that are neglecting to acquire legitimate insurance. Is there any data on what can be expected to change with these increases?

[20:30]

Hon. Jeremy Harrison: — Thanks very much, Madam Chair. And I appreciate the question as well. It's about four and a half hours in for me into estimates, so I'm getting a little tired. But we gratefully have some of the best officials in the country sitting here at the table who can, I think, speak in real detail to the question.

But I would just kind of say by way of prefacing what you'll hear from Penny and Drew, you know, truly professionals at SGI who pay deeply detailed attention to all of these matters and have provided, I think, really very, very good advice too. I'm grateful for the advice that I get from them both and, through them, the entire team at SGI. But maybe I'll turn it over for how the process works and all of the elements that go into consideration.

Penny McCune: — Sure. Penny McCune. Thank you for the question. So this all starts with an annual rate indication. We have a chief actuary internally and some other, you know, supporting actuaries that crunch the numbers every year. And we assess, you know, where the Auto Fund is at. And certainly for the last 10 years, that has been a big consideration about we have enough in the fund to balance off the affordability concerns that, well, all Canadians have been feeling. We've seen that in all jurisdictions. So that was certainly part of the decision for us and the Auto Fund. But we do look at it annually.

And we also use industry best practices on how we assess rates to each individual vehicle based on the cost to repair them. And of course then we have other things that we take into consideration on an individual basis on how you drive, etc. So when it comes to the rates, it starts with the annual rate indication. And then, you know, we look at what we need and we want to do it over time. We've never been a company that wants to rate shock people. And that's why we want to get the rate stabilization reserve back to stability, because that helps us to protect the fluctuations in rates.

But certainly with the change in vehicle repairs, or the complexity of repairs . . . I was in claims about five years ago, and we started to see how much it was costing labour, a lot more sophistication in repairs. And then parts jumped up with COVID as did other things, the vehicle prices. And so that has all kind of accumulated to the situation we're in right now.

So yes, when it comes to the individual vehicles, we have industry standards that we follow just like other industry partners and our competitors. And then we make judgments on what can the people of Saskatchewan afford, and that's why the Auto Fund was created.

Anything you want to add, Drew?

Drew Kendel: — I would just add . . . Oh, I'm sorry. Drew Kendel, chief financial officer. I would just add when we're looking at delinquent accounts, we're looking at the overall trends with regards to how our receivables balance is changing. And we take into consideration whether we do need to allow for more of those delinquent accounts. Historically we haven't seen significant changes in those delinquent accounts when rate increases come around, but we try and do our best to forecast that and look at what that might look like.

The only other thing I would add from an actuarial indication standpoint is we're really looking at the forward trends and how damage, injury, how those are trending out over longer periods of time. And when we look at that, if we think they're not going to continue upward, we may or may not need a rate increase. And so it's not looking at individual years; it's looking at longer term trends.

Darcy Warrington: — Yeah, thank you, Mr. Kendel. And, Madam Chair, I'll just go back to the question just briefly. I'm just curious. As the minister mentioned earlier, there's some people in northern Saskatchewan who travelled out of the wildfires and they didn't have insured vehicles. I'm wondering — that would be very difficult to track — but perhaps SGI would have an estimate as to how many people in the province, you know . . . In that case those vehicles might have just been sitting there. But does SGI have any indication of how many people are illegally driving uninsured vehicles in the province, an estimate?

Penny McCune: — I would say no, we don't have an uninsured estimate. But we do track the number of vehicles that are insured each year, and it stays pretty stable. And we've seen some growth in that in the last couple of years. And again, trying to take into consideration the affordability, you know, the monthly increases are pretty . . . We aim for affordability. So we didn't anticipate a large jump in uninsureds, but we don't have the numbers.

Darcy Warrington: — Okay. Thank you. In correspondence shared with the rate review board, the Saskatchewan Association of Automotive Repairers stated that they have been discussing their rate increase with the minister since last fall. The public became aware of the two proposed 3.75 per cent increases in the first week of January 2026. When did the minister first know that the rates would be increasing?

Hon. Jeremy Harrison: — Yeah, I mean it's a question that really comes down to when, you know, cabinet makes the determination and decision, at which point it's referred to the rate review panel. The input I think we've gotten and had gotten from the auto repair association, you know, was good advice. And I think that they were of the view that there was a rate increase that would be warranted.

But you know, no decisions are taken until cabinet makes the decision. And we've kind of had this discussion, you know, at the political level here already, so I'll just kind of leave it there. When cabinet made the decision, the referral was made to the rate review panel.

Darcy Warrington: — If time, I might return to a line of questioning around that. But as I said in my remarks earlier, I might bounce around a little bit. Can the minister detail what the normal consultation process was between SGI and the Ministry of CIC before the decision to undertake a rate increase? And what I mean by this is, what is the normal timeline for these consultations? Was it a meeting, several meetings, one day, weeks, months?

Hon. Jeremy Harrison: — So I'll maybe ask Penny and Drew to speak a little bit to how the company monitors the trends in the rate stabilization reserve. Drew spoke to that a little bit.

But you know, the process by which . . . You asked me to kind of compare how it works before. I mean it's a challenge for me to make a comparison because I've only been Minister of CIC for, you know, 18 months, just about two years now I guess. So I mean the process that we had gone through was really predicated on the monitoring of the trend in the rate stabilization reserve, the trend on the cost per repair of vehicle.

I know we had actuaries who are working for the company that are kind of making these longer term projections about direction, recommendations from the company to the Minister of CIC, you know. But really I mean until cabinet has a series of options in front of it, you know, no decisions are taken until cabinet makes the decision based on a series of options. So you know, there are no decisions taken until the decision is taken.

But maybe the company can speak to the process by which we, you know, are paying literally daily attention to investment returns, the health of the RSR [rate stabilization reserve], and how that process works as far as longer term projections as well.

Drew Kendel: — For sure. So we look at the rate stabilization reserve, and we use a measure called the minimum capital test to monitor that rate stabilization reserve. And so that's something we're monitoring on a monthly basis. And that minimum capital test is an industry standard measure that's used for property and casualty insurance companies.

And what it looks at is both the assets that you're holding on the balance sheet, but also the liabilities for claims payments that you're holding on the balance sheet as well. And it's assigned different risk factors. Those risk factors are designed to give a sense of whether you will have enough money to pay the claims that you know you have already, but as well for future claims as well.

And so we monitor that MCT [minimum capital test] on a regular basis monthly using the 12-month rolling average. And when we start to see that fluctuation coming down in a big way, that's when we kind of have some determinations to make. We also do the annual rate indication, and that gives us a sense of where we want to be from a rate standpoint as well.

Darcy Warrington: — Thank you for that answer and response. I'll also ask the minister or the company to inform the committee who all were consulted by the minister, the ministry, and SGI prior to the announcement being made, beyond the apparent Saskatchewan Association of Automotive Repairers?

Hon. Jeremy Harrison: — Well yeah, I'd say this: I mean we're not giving anybody a heads-up on a decision prior to the referral to the rate review panel. So that was the official notification for the province. You know, the company had obviously done . . . You know, I would say this: we're constantly meeting with our stakeholders, you know, whether that be at the brokers convention last . . . I think Penny, I know Gary was there as well. I mean a number of our officials from SGI were in attendance at the brokers convention this weekend. You know, we're constantly meeting with stakeholders, you know, trucking . . .

We can provide it, I mean like a hugely long list of our stakeholders that we are constantly meeting with and talking about very, you know, highly varied issues that are in front of whether it be their industries or their members. So you know, those consultations are always, always ongoing on a broad variety of subjects.

But you know, nobody was given any sort of direct heads-up or notification prior to the referral to the rate review panel.

Penny McCune: — I can just say something similar. We meet with our partners very regularly, and we're very collaborative. And we talk about the trends we're seeing. But we never get into specifics about, hey, this is what we think the rate indication says or what we're going to offer, of course until we go through the approval process. But it certainly is helpful to talk to the industry and get their insights on what they're seeing and if there's anything we're missing in the data and the trends.

Darcy Warrington: — Thank you to you both. Yeah, I certainly was aware of Saskatchewan Trucking Association and some of their concerns, and insurance brokers of Saskatchewan. And I'm assuming that was the organization at the convention. So thank you for your response.

The last time employees of SGI under COPE [Canadian Office and Professional Employees Union] 397 received an increase was the beginning of their agreement in January of 2024. That agreement ends on December 31st of this year. What were the terms of those increases in that agreement, in particular annual percentage increases for monetary compensation?

[20:45]

Hon. Jeremy Harrison: — All right. So thanks, Madam Chair. So what we're going to . . . We want to get the member the correct answer, so we're going to sort of have some of our folks who are in the office right now who are going to put that together. So we'll be in a position to provide probably some more detail for the member, and we'll provide that once we get it into the Chamber here.

But one of the things that I had actually meant to touch on earlier on here in my opening comments, which I know Penny is really wanting to have an opportunity so I'll ask for the indulgence of the member, but enormous effort that the company has put into transformation. And I'm sure the members have heard about the work done on that.

So I'd maybe just ask for the indulgence, if we could have an opportunity where Penny could maybe talk about the . . . and update the committee as well, and update the House on the progress that the transformation initiative has made within the company also.

Penny McCune: — Sure. So this has been quite a significant project for us and one that sets the company up for the future. And so we're really pleased to say that the new system is up and running for SGI Canada, and the Auto Fund will be complete this fall.

I just wanted to touch on it, and it's something I know the minister knows we're all really proud of, is this is an IT project that is developing to be a major success. We are coming in very close to budget. We had to extend some timelines, more about change management, etc., but we're being kind of spoken to by others about how we approached this and how we were able to be successful.

So a lot of rigorous government governance and full transparency from senior leadership on through rigorous vendor management. Something that, you know . . . Being fair but making sure we're holding them to account on things that were kind of their issue as opposed to ours, and making sure we're managing the budget that way. But a lot of strong collaboration with stakeholders and partners.

And I'm really proud of my team. You know, our employee engagement scores stayed high, and the collaboration from the team and the determination were really effective.

So the reason I wanted to talk about it is I know that it's been kind of challenging for our partners, as all IT projects are, but it really is going to set the company up for efficiencies and it will help both the Auto Fund and SGI Canada going forward. And I know that's a very key consideration under financial responsibility.

Darcy Warrington: — Thank you for that response on transformation. I appreciate that the staff are looking into the response to my question around compensation for COPE 397 members throughout the course of their agreement.

I guess while we're waiting for that response, certainly fine to have that tabled and provided at another time. It doesn't even

have to be today. But I'm just curious with that agreement running up. Typically — you know, I'm formerly a teacher — negotiations would start several months out if not an entire year out. I wonder if the business or CIC or the minister could respond on how the negotiations are going, if they're currently active, if they're going to be active shortly, a summary of meetings that have taken place. Nothing too specific, but just curious on what's happening there with negotiations or future negotiations.

Penny McCune: — We have a really good relationship with our unions. So we have ongoing dialogue, and they will submit lists to us and vice versa. But I believe we're just starting kind of the official negotiation process, so we're just getting into that now. But we have a pretty good sense typically going in on where the union concerns are because of our ongoing dialogue and vice versa. So anything you want to add to that, Drew? No. Okay. They're just starting.

Darcy Warrington: — Thanks for that, and good luck to you on those negotiations. They're very important on both sides.

You talked a little bit about the transformation through IT, and actually that was going to be a future focus of some of my questions. I wonder if you could elaborate a little bit. Can the minister or the CEO or Mr. Kendel detail the ongoing costs of any of these updates to that IT infrastructure? And if there is ongoing projects with this IT infrastructure, you could maybe give us a date of completion, perhaps a projected date of completion for, as you said, the Auto Fund you're working on finishing that there.

Penny McCune: — So our original approved budget was 238 million. And we did have some challenges on the DRIVE side with the development phase. We also had to defer some of our phases due to change management with our partners. They were change fatigued, and so that did cause some delays in our road map. So we did come back and ask for about a 10 per cent increase. So our total budget is 257 million. And that is for both SGI Canada and Auto Fund systems.

As I've said, Guidewire for SGI Canada is up and running and has been since last year, and we're into our final releases for the Auto Fund's DRIVE system. We anticipate one major release here in May or June and some smaller releases. But we anticipate the program will be completed in September, which will be great to finish and will allow us to move on from development and the governance of such a significant and costly project to work and really focus on stabilization and making sure we enhance the experience for our users, and also to get the efficiencies out of the investment.

Darcy Warrington: — Madam Chair, the CEO is just too efficient. She's getting to some of my responses before I can even ask the questions. So you know, we definitely need you to continue in this role for another 10 years at least.

So I'll adjust a little bit. My question was going to be about Guidewire. I'm somewhat familiar with the program and its implementation. My apologies if you mentioned this already, but when did it initially — I'll start with a really short question to keep it simple — when did it initially get used by SGI Canada? And when did it initially become part of daily life for the employees on the auto side?

Penny McCune: — Sure. Okay, so we actually started the project back in 2022 with a business case. And then you select your vendors and then you get into the business requirements. We actually started developing, I believe, it was January 2024 . . . Or no, that was our first implementation actually. And we implemented first in Manitoba and British Columbia. And we did those because they were our lowest volume jurisdictions and they had property only. We don't sell auto there.

So we started with our simplest implementation. And then after that we moved into Alberta, and I believe that was in February or March of 2024. And then Ontario was a couple months later. And then we did Saskatchewan last because it's our highest volume and we wanted to get as many kinks out as possible before introducing it in Saskatchewan.

I can tell you that every release we did, we gained momentum and learnings. And as we went it just became . . . Our speed of being able to implement was slowed down by change management.

So I guess it would all start back in 2022, but the first implementation was January 2024, and the last one was Saskatchewan in the summer, I believe it was. Right, Drew?

Drew Kendel: — Right. Yeah.

Penny McCune: — Now the interesting thing you need to be aware of is that's getting it up and running, and then we have a year, kind of, of coexistence where we transfer data from the old system into the new system.

So it was last summer, July 2025, when we were officially done our last — or June of 2025 — we did our last release for commercial. And so we did it kind of in phases. So it started January 2024 to July of 2025. Those were the implementation phases.

Darcy Warrington: — Thank you. Again, great answer; building a better picture for myself.

I'm curious. Comparatively, the previous technology before Guidewire and what you have now, Guidewire, what does the new technology allow? And I only ask this because we're talking upwards of \$250 million. So I think it's relevant for the committee to know what are the benefits of the new program? Please and thank you.

Penny McCune: — Okay. So first of all, the old system, the code on it was at end of life. And how it was programmed, we couldn't even hire people to support it. The companies were all moving on.

So we needed to move to a modern architecture. And that's the real benefit. Like, it's on the cloud. And the way it's architected is in a lot of micro-services that talk to one another. So if I can give you an example, on our old system if we made a change sometimes, we'd only do two releases a year and we would have to test, test, test. And it was so integrated that sometimes you could make a change in Saskatchewan and it would impact Ontario.

This is very different, the way it's architected. We have various

services that are broken into micro-services, and they talk to one another. So what you can do when there's a problem, if I use the Amazon website, its inventory is a micro-service. Where you pay is a different micro-service. So if something goes wrong, you don't have to shut the whole site down. You can just shut down that service and get it repaired. So what that does is you can build on efficiencies way quicker. And we're already seeing that on the new system, that we can respond to fixes much more quickly.

The other thing is that this system integrates with third-party systems much more readily. So we have a fraud third-party vendor we're just working with so we can get much more sophisticated on fraud and see some efficiencies with that.

We wouldn't have been able to do that with our old system. You just can't. The data and the analysis and the integration is where you're going to see the efficiencies. And then we build on that and develop really specific experiences for our brokers in collaboration, and always listening to our customer feedback and being able to respond on what they want in their processes and how they want to do business with us.

So it just enables us to use a modern platform to be more efficient, to grow more efficiently, and to be able to manage this system more efficiently going forward. Anything I missed, Drew?

Drew Kendel: — Yeah, I would just add one of the big, big improvements is going to be rating and getting new rates and speed to market, so particularly in our competitive products. Other insurance companies have the ability to make rate changes very quickly, and we need to be able to respond in kind with those, whether it's auto rate changes or home rate changes. This Guidewire will give us much more sophistication when it comes to rating and really help us protect the financial sustainability of SGI Canada.

Darcy Warrington: — Thank you. To anyone on the panel here, two questions. The 10 per cent increase to 257 million, when was that proposed or when was that, sort of, budget increase made for the project? And I'd also ask if you could detail other jurisdictions that are using the program or if Saskatchewan is piloting the program itself.

Penny McCune: — Guidewire is one of the most common systems used in the insurance industry. It's very, very widespread across Canada and North America actually. We asked for the 10 per cent increase of January of 2025. So that was when we recognized that there was going to be some delays in development, and we needed more time with the vendor to get it right. And then as I had mentioned before, we did have some delays due to partner fatigue and just making sure we were spacing it out.

So it just means we have to hang on to developers and consultants a little longer as the program drags out. So the 10 per cent was around just over \$20 million, and we are tracking to come within that budget.

Darcy Warrington: — Right on. That was actually going to be a follow-up. You know, you'd said that that was 15 months ago. So I was going to say, you know, does SGI or the minister believe, or have any reason to believe, that there'll an additional

increase in six months, a year, two years?

[21:00]

Penny McCune: — No, we do not.

Darcy Warrington: — Okay, great. Thank you.

Penny McCune: — I also have your answer on the union. It was 332, starting in 2024. January 2024, yeah.

Darcy Warrington: — Great, thank you for that. I really appreciate it. Okay, moving along. With the proposed increases of 3.75 per cent to insurance rates this year and next I wonder, or we wonder, are FTE jobs at SGI going to go up, remain level, or go down? Please indicate what best describes the future situation with these extra dollars that might be used by SGI for those purposes?

Penny McCune: — Okay. So definitely with transformation, we did staff up. I believe it was around 150 people over the course of the program. And that's because we were managing the business while we were changing, so we did have to increase capacity. But we always forecasted a bubble, that we would go up and then we would go down.

And so with the implementation of Guidewire we've been starting to move people back into their regular jobs and decreasing the number of people on the program. So now we're down to . . . Because Auto Fund's the only one left to — a few releases to develop — the team is much smaller. And we've already seen the FTE reductions from the program itself.

But going forward, we do recognize that we do expect efficiencies out of the system. And basically the whole purpose is to eliminate the simple kind of work and put our staff on the complex work. So because we anticipate we will go down in FTEs, we've put a lot more rigour into our FTE management. This year we established a new governance process so that executives understand how many FTEs we have within the company.

And then we asked all layers of management to be accountable. And basically any time there's a vacancy, we're asking like, you know, looking into the future and where we're going, do you see this job continuing in the future? Do you need it now or can we defer it, just to make sure that we're being as efficient as possible?

They actually added this as a measure to our management performance plans just to, it's just a muscle we need to exercise. And every approval for any new FTE has to come to the executive.

We also identified that there are areas where we need to mature, like artificial intelligence, data, fraud. And so we identified all of those, and then we looked at our list of initiatives and said, we can't do all that. So we had to get very, very focused on what was the most important thing for the company to deliver on, where do we need the resources, what can wait, or what should come off the list.

So it was a real rigorous process, one that we monitor on a regular

basis. And we're already starting to see some impact on some reductions and cost savings. Just being more prudent on where we put the positions and where we really need them. Anything I missed, Drew? No, okay.

Darcy Warrington: — Thank you so much, Penny. I apologize. As I said I'm going to jump around a little bit. I had one more question regarding Guidewire I need to go back to briefly. So my apologies.

Has there been any issues with functionality, usability, or perhaps some surveys indicting from employees how the implementation has been going so far?

Penny McCune: — Yeah, we do regular feedback with our broker partners, with customers, and with our employees. And there's no question, an IT project of this magnitude, we expected there would be bumps. That's just normal. You just can't get perfection on this unfortunately. So we did anticipate our customer numbers would fall a bit; we anticipated on our partner service as well.

Certainly our employees have the change fatigue too. But I mentioned earlier, our employee experience, the scores are just fantastic. Our employee experience scores are higher than Canadian benchmarks. So it's a dedicated team.

We work really hard as an executive team to keep people motivated and help them understand how important this is to the company. We work really hard on our culture, on appreciating people. And we collaborate and acknowledge, and we engage them and their ideas. So I think that's a large part of why they're so engaged. They're very dedicated, and it's a difficult time. But I'm really proud of my team on how they've shown up.

With implementation though, sure. When the brokers are frustrated, do our underwriters feel some frustration? Sure they do, but we're going down. And stabilization, the momentum on stabilization is growing, particularly since we finished development of Guidewire. I can tell you there's been a lot more calming from the brokers and the employees. And so they've come to understand that every time there's a release of a certain product, you're going to experience the pain. But it gets better.

So I would say, yeah, we've seen some pain and we've seen some dip in our scores. But it's normal. And as I said, the project overall is highly successful, and the employees are really proud of that.

Darcy Warrington: — Thanks again, Penny. And I appreciate you letting me go backwards there. It's my understanding that there's a great deal of overtime hours that members are requested to fulfill. Could the ministry indicate or could the business of SGI indicate how many overtime hours were submitted in the following years: 2023-2024, 2024-2025, and forecast overtime hours for 2025-2026?

I'm not sure if that's a number that's readily available, so I'm certainly open to having you table it. And at what rate are those overtime hours paid? How are they compensated for those hours?

Penny McCune: — So maybe I'll just start. Drew has the overall numbers. They pay time and a half as per our union contract. And

yes, we have seen an increase in overtime, mainly because of the stabilization. Every time we do a release, as I said, there is always some work to do to get stabilized. And we've been asking our members to work to keep our service levels up. So Drew has the overall numbers.

Drew Kendel: — Yeah, so overall overtime costs for 2024-25 were \$3.4 million. We did expect those to increase so we budgeted \$5.1 million for this year. We've seen a slight reduction in that, so we're only at 4.4 million so far this year and we're budgeting for 4.7 next year.

I do want to note we're actively tracking call volumes, transaction volumes, service levels within our claims and underwriting teams, and we're reacting where we see the need to shift staff into places where there's higher volumes of transactions. We can never react in the moment or, you know, tomorrow necessarily, but we do make reactions and shift staff accordingly.

Darcy Warrington: — So it's fair to say you're seeing a reduction of overtime hours as a result of people getting more comfortable with the software program, with Guidewire, and that the overtime hours have been higher as a result of the implementation of that IT infrastructure?

Penny McCune: — Yes.

Darcy Warrington: — Okay.

Penny McCune: — We always strive to . . . You know, we have to meet our service levels for our broker partners or we lose business. And on the Auto Fund side we always focus on service. We are there for the people. That's who we serve. And so we always try and balance service with costs, and we do our best, as Drew said. If we have capacity some other place then we move people around, and it helps to save some money.

But yes, the system has been a challenge, but again as I said, we release and then it improves.

Darcy Warrington: — Thank you for those responses. Recently at the SGI rate review panel, insurees and the residents of Saskatchewan were provided an opportunity to ask the panel questions around the findings. Only a few questions were asked by the public, which is too bad. Sometimes people love to participate in those sorts of things. I'm sure that you broadcasted it well and it just ended up not being well-attended in that way.

But all of the inquiries through those few questions were in relation to insurance for motorcycles in the province of Saskatchewan. Definitely great interest from those who like to ride the two-wheelers in our province. What consultation has been done with motorcycle users and associations in the past around proposed increases? And is there, as they had asked in that panel, any plans to engage with motorcycle users and associations in the not-so-distant future about their needs and about potential increases that they sort of feel are common for them?

Robert Osicki: — It's Robert Osicki. I'm the chief insurance officer at SGI. Thank you for your question. The last time we did motorcycle consultations was back in 2021, and there was a

commitment made to the motorcycle community at that point in time that prior to any rate program, that SGI would consult with motorcycles before adjusting rates. And so that's a commitment we have upheld, and they are excluded from the rate program in 2026.

SGI is currently in the planning phase of conducting motorcycle consultations this year with the motorcycle community, so I would expect those consultations to begin in probably the next six weeks or so with the community. And we'll be reaching out to them very shortly to discuss the logistics and talk about the purpose of the consultations and organize them.

Darcy Warrington: — Thank you for the response. You actually answered my next questions, I believe, so I appreciate you being so thorough.

Moving on, what is the anticipated level of profit or perhaps it could also be said anticipated positive assets versus negative expenses for SGI over the next two years that has been projected by either the ministry or by the business SGI under the model of the proposed 3.75 per cent increases of June 2026 and June of 2027? That was a mouthful. If you need me to say it again I can.

Drew Kendel: — Sure.

Darcy Warrington: — Yeah, totally fair. Some people might argue I could've wrote this a little bit more clearly. What is the anticipated level of profit or perhaps it could also be said anticipated positive assets versus negative expenses for SGI over the next two years that has been projected by either the ministry or by SGI under the model of the proposed 3.75 per cent increases of 2026 and 2027?

Drew Kendel: — For 2026-27 we are still expecting a \$242 million loss.

Darcy Warrington: — Sorry, that's for 2026 and then the same for 2027?

Drew Kendel: — Sorry, the 2026-27 year. That's the fiscal year, yeah.

Penny McCune: — The fiscal year.

Darcy Warrington: — So, Mr. Kendel, you're saying that would be the projected loss by the end of the first 3.75 per cent increase, so up to May 31st, 2027?

Drew Kendel: — That would be to March 31st, 2027.

Darcy Warrington: — Okay, sorry, my apologies. It's a little confusing because the increase takes place on June 1st. So then I think the next question in regards to that would be what would be your projected loss on March 31st, 2028?

[21:15]

Hon. Jeremy Harrison: — You know, I would just say this. I mean, we're very closely monitoring the almost day-to-days on where things are at with Auto Fund. But on rate stabilization reserve, these are highly dependent on investment returns, right. That is one of the real challenges that we have had where you

have widely varied investment returns. We are watching very carefully, like almost on a daily basis, on that part of it.

So making, you know, the longer term projections are a challenge on that. You know, there's different scenarios. I think it's fair to say that that would be a part of the planning process that the company uses, and that's predicated on, you know, different actuarial scenarios as far as different investment return scenarios. So we're watching this very, very carefully.

Drew Kendel: — I would also add that although we do have the rate increase effective June of 2026, it takes two years for that to hit our bottom line. So policies only get the rate increase when they renew. And they renew relatively evenly over the 12 months, but then they also take 12 months from the time they renew to earn through the income statement. So it does effectively take a two-year period in order to feel the full effect of the rate increases.

Darcy Warrington: — Thanks. I appreciate those responses. I just need to make sure that my next question hasn't already been answered here. My apologies. I might just come back to that one in a moment.

So you mentioned earlier the minimum capital test, a term I've become much more familiar with over the last few months than I was previously. It was stated in the legislature a year ago that the capital test was at 125 per cent on March 31st, 2025. I did find a conflicting report that it actually was at that time 112 per cent. All that being said, the reserve I believe was at 720 million. I wonder what are those two numbers at now as of March 31st, 2026?

Drew Kendel: — Yeah, so we don't have the updated number as of March 31st, 2026. We're still in the process of working through closing our books. We will close our books over the next couple of weeks here and then go through board approval and then final financial statement approval and tabling. So we don't have those as of March 31st, 2026 as of yet.

Darcy Warrington: — Excuse my ignorance. Is that going to be publicly available or can I request it to be tabled once it's released?

Drew Kendel: — It will be publicly available when our financial statements are released.

Darcy Warrington: — Okay, thank you. And my apologies if this next question, as a result of not knowing that, cannot be answered. But with that, how long will it take for the proposed 3.75 per cent increases to replenish the reserve to an acceptable industry standard level? This is of course with me assuming that it's perhaps below 112 per cent at the moment. I don't know that for sure so I struggle to know if this question can be answered. I will still ask it in its entirety.

How long will it take the proposed 3.75 per cent increases to replenish the reserve to an acceptable industry level standard, or maybe more accurately, cash on hand to compensate claims in an abnormally high claim year?

Drew Kendel: — Yeah, so we don't know how long it will take the MCT to replenish. I do want to note that we do have enough

cash on hand to pay claims in the near-term. So there's no liquidity crisis within the Auto Fund today.

Hon. Jeremy Harrison: — Yeah, and if I could, it's a good question. I would just add to that as well, which is kind of reiterating what I had said in an earlier response, just about how closely we're watching and monitoring.

You know, there is such enormous volatility that we're seeing in the equity space and other components that comprise the re-stabilization return investment portfolio that it is deeply challenging given that volatility, given where rates could be going as well. You know, not our decision; that's obviously going to be central banks who are going to be making that decision which are going to be, you know, to a degree predicated on the length and tenure of the Middle Eastern conflict, which is going to have a direct impact on investment return.

So all of these things are just, you know, beyond the scope of a provincial government or a provincial Crown corporation to be in a position to really accurately long-term forecast. We do our best but we're keeping, you know, just a very, very close eye on where things are at almost day to day because of that.

And I have a lot of faith in these folks who manage our portfolios and who are doing these projections within the company as well.

Darcy Warrington: — Thank you, Minister. Related to my next question, and related to the statement the minister just made just now, comparatively your investment portfolio last year versus this year, is it performing better? Roughly the same?

Drew Kendel: — I'll give you a little roughly. It is performing as a whole not quite as well as it did last year, but the composition of our returns are going to be drastically different. Last year's returns were very predicated on volatility in interest rates. That volatility in interest rates also creates volatility in claims reserves, and so the bottom line impact tends to not be quite as high.

This year what we're seeing, a lot of the returns and the pretty high returns are coming from equity markets, whether Canadian equities or global equities, and they have performed quite well. And I do expect the end result to the end of March 31st, 2026, to be quite strong.

The benefit of having the equity returns being positive versus fixed income is we don't have an offsetting change in our claims liability, and we do expect to see a little bit better impact to the bottom line because of those equity returns this year versus last year.

Darcy Warrington: — Thank you for that. And it was relevant to my next question. Looking at the third quarter report, it looks like SGI did have a \$15 million surplus. Comparing this to the same third quarter report in the year prior, the loss is around 4 million. Is that correct?

Drew Kendel: — Just to clarify, are we looking at SGI Canada or the Auto Fund?

Darcy Warrington: — One moment. Here's where I was talking about jumping around a little bit. I'm going to come back to that

question if you don't mind. But yes, it is about SGI Canada. And I've inserted this into the wrong portion of my speech. That's what you get putting a band teacher in this seat I suppose.

I'll move on. Are there any capital priorities for SGI moving forward, in particular around upgrades to facilities, new builds, investments in SGI-owned motor vehicles, etc.?

Drew Kendel: — Yeah, there are some capital projects planned, but overall both SGI Canada and the Auto Fund do have minimum capital activities. There is some work being done on various locations trying to upgrade or make some enhancements, doing kind of, you know, general maintenance across some of those buildings. But as a whole, there's no major capital projects.

Darcy Warrington: — Thank you, Mr. Kendel. And how much annual revenue does SGI expect to take in annually for the following increases that were proposed in mid-March including deductibles going from \$700 to \$950, some other deductibles going up roughly 20 per cent, new admin fees for driver's licence vehicle registrations, renewals, and licence payments, as well as electric vehicle fees increasing? Surely there's a dollar figure attached to, annually, what the increase in revenue would be for SGI on those specific mid-March announcements.

Robert Osicki: — Thank you for the question. So you know, the financial impact on the deductible side from increasing the deductibles effective January 1st, 2027, will result in about a \$23 million impact to the Saskatchewan Auto Fund. On the fee portion, we're expecting that to generate about eighteen and a half million dollars of additional revenue for the fund. And with respect to the EV [electric vehicle] charges, that is funds that do not go to the Auto Fund. Those funds are not retained by the program.

Darcy Warrington: — Thanks for that. And then related to that, my apologies if this is apparent, once — as you said, Mr. Kendel — the whole 12 months has gone on and the 3.75 per cent has kicked in for everyone, what amount of money is that going to generate for SGI?

Drew Kendel: — Each 1 per cent translates into about 10 million. And so that's about 35 million.

Darcy Warrington: — Great. My next question is broad but I'll ask it anyways. You know sometimes when you're looking for savings, there's some things that are maybe still on the table that can be considered. So in terms of cost-saving measures or creative problem solving around avoiding some increases, wonder if the ministry and representatives could discuss methods that were considered for raising capital without broadly raising rates. Or it could be stated without raising rates at 3.75 per cent — maybe at 3 or 2 or 1. Those themselves are creative problem solving, I suppose.

We've seen some other measures mentioned in the 18.5 million that's generated through fees. Wondering, could the minister or the business expand on those methods or introduce other potential solutions that maybe haven't been proposed or maybe haven't been fully articulated?

Hon. Jeremy Harrison: — Yeah, I'll maybe just start off and then Penny can maybe speak to some other elements. But you

know, I would say this: my experience having, you know, now been minister for 18-plus months for the company is . . . You know, there was a very, very significant and real effort to look inside at what we could do to find efficiencies within the company — and Penny will probably be able to speak to some of that — which, you know, have entailed some difficult decisions.

And we haven't shied away from making those decisions in the pursuit of maximizing the efficiency within the company, including FTE reductions within the company without compromising the ability to provide the services, while all doing this, going through the transformation initiative. It's been a very, very challenging management scenario, to which I give Penny and our senior team a huge amount of credit for navigating through.

[21:30]

So you know, there has been a significant effort looked at internally as far as efficiencies. That's going to continue. There's been cross-Crown collaboration that we referenced I think a little bit in the CIC estimates that has resulted in tens of millions of dollars of savings across the entire sector, which SGI has been a founding partner in collaboration.

You know, we looked at the non-rate options which, you know, Drew spoke to some of those earlier on. But you know, I would just say this. As a matter of long-term principle as far as our direction in the company, we are going to, you know, between SGI and CIC and the government . . . You know, we are very fortunate to have an Auto Fund of the nature that we do. We, you know, have worked hard to make this a sustainable entity, and we will protect the long-term integrity and stability of the Auto Fund. That is going to be a core principle of government to do that. So Penny can maybe speak to those.

Penny McCune: — Yeah, so we definitely wanted to make sure we are doing our due diligence internally on how we could also bring down the costs for the Auto Fund and beyond, so some of the difficult decisions were around restructuring the company. And definitely recognizing, as I mentioned, particularly for the Auto Fund, you've really got to be careful about service levels because it's . . . We're talking about five million transactions a year across the province if you're adding claims as well. And you can't sacrifice service; it can really catch up on you fast. So if you start cutting too fast on the front line, your service levels suffer and then you have to staff up, retrain. So it's a delicate balance.

So what we decided to do was restructure management. And we had been having discussions about being more efficient and looking at span of control in management, and we started at the senior level. There was a number of retirements coming, and so as they came we decided we won't fill. So some jobs got bigger, but we always looked at span of control. And the whole, I guess, reason for taking that approach is for every senior leader position we recover, it's about three or four front-line staff. So that was one of the approaches we took, and I would say that we're finding the efficiencies from that restructure.

Beyond that, just expense reductions. So we took our traffic safety awareness spending. We recognize that, you know, we used to always do television commercials, and they're pretty

costly, and our target market is typically younger people. So we moved to digital marketing and we saved considerable money doing that. So still getting the effectiveness from the campaigns but a much lower cost.

We also are looking at claims. And so we're working really hard with the body shops and using our salvage for them to use aftermarket parts or recycled parts. Parts surpass labour in the costs of repairing vehicles with COVID, and so that's where salvage really became valuable to us and it allowed us to really start working with the shops and really encouraging them to use cheaper opportunities. Which is helping the Auto Fund.

We're also collaborating with the repair industry in other ways, like on panels . . . They're more costly to replace, so we're looking for alternate parts. And also the same thing — repairing windshields instead of replacing them. Windshields have been one of our biggest spikes, with all of the technology in the windshield. They're much more expensive than they used to be. And so repairing them versus replacing them is one of the initiatives.

And I can also say that our salvage area had record sales this year. They surpassed \$80 million for the first time and that's driven again by the cost of vehicles going up. And so salvage is getting some benefit from that, and that all goes directly back to reducing the cost of claims.

So we've really dug in on both sides of the company on where we can save money. And on the SGI Canada side we even looked at where we can tighten up and really focus on where the risks were and kind of culling the books so we could be profitable. On that side of the business we had our . . . All of our jurisdictions outside Saskatchewan made a profit this year.

And it was great timing because Saskatchewan had the wildfires. A record loss. And the profit from outside of Saskatchewan has offset the loss. So SGI Canada is going to see a profit this year because of those efforts. So a real concerted effort to focus on being more efficient and making sure that we're doing our due diligence internally.

Darcy Warrington: — Thanks for that. Also good to see the diversification of having SGI Canada operating in several jurisdictions, how that was a benefit to the services that they provide.

You talked a little bit about the salvages, and in some of my . . . I think that that's a great discussion point for us here. Stakeholders have suggested that the supply chain for parts can create issues with timely repairs and costs in their autobody shops. They've also suggested that an improved inventory of SGI-owned salvage parts could be a part of the solution to these issues.

What would roughly be . . . Actually I've got to adjust that because you just told me you had \$80 million in sales. Is there any investigation to the expansion of your salvage parts side? Because it seems like if there was an opportunity to do that it could create a proactive cost benefit for SGI, proactive repair time, you know, if someone has to get parts from across Canada or North America, having your own parts on hand.

I just wonder if, probably to the business side as opposed . . . Unless the minister wants to speak to it? He's shaking his head. He gets enough questions in the day. If you could speak to all of that. Thank you.

Penny McCune: — So we have five locations around Saskatchewan for salvage, and it's a pretty efficient operation, and so we are able to collect the total loss vehicles efficiently. And there's a couple — only Regina and Saskatoon — where we do dismantling.

But what we're doing is, we're actually expanding our partnerships with private sector used parts, recycled parts, to get that inventory up. And so that's the initiative that we're working with the body shops on using the recycled parts, because we're about to make them more readily available.

Certainly throughout COVID we did see a lot of delays waiting for parts, and of course that delayed claims repairs. And so we took a few different approaches to try and expedite that, but what we did was we prioritized salvaged parts for claims. So that helped throughout COVID, but that's where we recognized having a bigger inventory would be helpful. So we started talking to the wreckers around the province and beyond so that we can have a better supply of alternate parts.

Darcy Warrington: — Thanks for that, Penny. Does SGI have any contract work currently being completed by out-of-province vendors or even out-of-country vendors? If so, please detail the business names and the origin of their businesses. As well, if there are any, number of dollars committed to their contracted work, service, or products.

If I could, to the group, obviously some of these car parts are not made in Canada. So I'm not trying to be critical, I'm just curious overall. Thank you.

Hon. Jeremy Harrison: — No, I appreciate the question. So I would say, you know, just by way of introduction, that we make a significant and real effort to procure from within Saskatchewan first and within Canada second. There's the *Payee Disclosure Report* which is a publicly available document that I think would provide some additional detail on elements of this.

But I mean there are . . . As an example, Deloitte would be an example of our partner in the transformation initiative which, you know, is a company that has a not insignificant presence in Saskatchewan but it isn't a Saskatchewan company either. So there would be several examples of that. But you know, we work hard — and even in the transformation initiative, we worked hard to procure from Saskatchewan-based IT companies as well.

So I'm not sure if we want to maybe speak to some of the policy around that, but I can turn it to either Drew or Penny for that, for examples.

Penny McCune: — Yeah, definitely. When we procure, you know, we do look for in-province, and the only time we do go out is if we just don't have the knowledge that we need, sort of thing. And I would say on your question, you asked more specifically about parts and, you know, where they come from. Like, a lot of the used parts that we're looking at are coming off vehicles here in Canada. So those parts are actually, you know,

more local. And we don't bring in, like, new parts. That would be kind of what the dealers do.

But yeah, from that perspective, since you mentioned the parts, they're coming off wrecked vehicles in our home province or within Canada.

Darcy Warrington: — Thank you, and appreciate all of the responses. I also, you know, meant to say that in terms of Guidewire, I can imagine that if it's the industry commonly used across . . . I mean, its origins don't really matter if it's what allows you to speak, you know, allows you to do your work in different provinces and it's commonly used in the industry. So again, wasn't trying to be critical on that point either.

Penny McCune: — I will say though with Guidewire, we did have a requirement with our contract for them to hire local and create awareness like so that we have Guidewire developers. And so that is one of the commitments and they're working on that.

And on DRIVE, while we do have . . . We started off with a consortium of Saskatchewan companies to build it and one of them was purchased by Accenture, which is a large company. And that's kind of probably a good thing, because some of the initial issues we were having with development were kind of the lack of knowledge. So it did bring in kind of a more national company that actually helped us, and those Saskatchewan companies are learning from them now. So there definitely is a Saskatchewan component to this.

Darcy Warrington: — Thank you. Certainly as the minister indicated, Madam Chair, in his opening remarks, the benefits of the advertising and marketing that SGI utilizes, especially when it comes to auto, is focused towards education, safety, and other benefits. That being said, it still might be of interest to the public — you know, perhaps this is already available and I didn't see it within this document — what is SGI's current budget for marketing and advertising? And how does this compare to previous years 2023-2024, 2024-2025?

Penny McCune: — I'll just say we don't advertise for the Auto Fund, so all of our spend on the Auto Fund is traffic safety spend. I believe the budget was 26 million, but as I've said, we've been finding ways to get more efficient in getting the message out in a more effective way. But go ahead, Drew. So you've got some numbers?

Drew Kendel — Yeah, so when we look at advertising as a whole we try to pull out our traffic safety advertising necessarily, so overall our advertising budget for '26-27 — so March 31st, 2027 — is \$1.1 million; '25-26 was \$1.6 million; and our actuals in 2024-25 were just under \$800,000.

Darcy Warrington: — Thanks for that. The people of Saskatchewan truly value their Crowns and want certainty that the Crowns will remain viable and a part of our province for generations to come. The following question honours those sentiments. What assets of SGI will be or could be potentially seen to be sold in the future? And to that, are there any programs, services, or infrastructure of SGI that may be or are potentially scheduled to be offloaded to private sector?

Hon. Jeremy Harrison: — Yeah, probably best for me to respond to that one. And the short answer is there . . . SGI is not for sale. Components of SGI are not for sale. We put enormous effort into growing the business and, you know, I think that we have as a province benefited from growing this business.

So you know, we're going to be, you know, looking forward to really celebrating, I would say, the Crown sector as we move forward. We're going to be doing our annual reports, which are, you know, really going to I think highlight some of the great work the Crowns are doing and have done as well, which we're going to be doing in Meadow Lake. I announced last year when we did the annual reports, the following year was going to be in Meadow.

So we're going to be doing that, which the community is very excited about by the way. We have, I think, a whole series of events the city has set up to take advantage of having the Crown CEOs in Meadow Lake, so I look forward to that.

But really, you know, we have a tremendous value. And I am a huge supporter of what SGI is doing and enormously impressed, I would say, beyond that — even having the chance to be in government for quite a while at this point — being able to see first-hand about the work these folks do has been enormously impressive.

Darcy Warrington: — Thanks for that. I think people would be heartened to see, to hear that response, Minister Harrison. I appreciate it.

For the sake of knowing if there could suddenly be an enormous amount of money coming in or an enormous amount of money coming out, are there any lawsuits or litigation ongoing for SGI as either a defendant or claimant with damages being sought out totalling more than \$2 million?

Hon. Jeremy Harrison: — So, no I appreciate the question. So you know, obviously being an insurance company, there are significant numbers of individual litigation items that are outstanding and in progress. And you know, that's nothing new and I know it's not a surprise to any of the members in the Chamber.

There is a, you know, a significant class action matter that is before the courts which we, you know, won't be commenting on beyond that other than to confirm that there is a significant class action matter that's before the courts.

Darcy Warrington: — Is SGI the defendant?

Hon. Jeremy Harrison: — Yeah, no SGI is . . . I'm not sure if there are a number of defendants, but we're named. Yes.

Darcy Warrington: — Okay, thank you for that. I'm going to shift gears. It's not that asking questions on SGI Canada wasn't important, but certainly a lot of folks were hoping we would ask lots of questions about the Auto Fund today.

But all that being said, you know, it was said earlier that there's \$84 million in claims in the North . . . Sorry, I don't mean to put words in anyone's mouth, but \$84 million in claims for northern wildfires?

Hon. Jeremy Harrison: — I think that's correct.

Darcy Warrington: — Thanks. So significant damage in the North. And I think SGI Canada makes up a large portion of the insurance options for the people in the North, or at least the ones that they actively choose. What we're starting to hear more and more from people in Athabasca and Cumberland is that they're worried that no one is going to insure them, especially if prominence of wildfires continues.

This is a very general question, but I wonder if you could speak to your concerns for providing insurance options for northern communities that are more susceptible to wildfires.

Penny McCune: — I'm going to let Robert — coming to you, Robert — but maybe I'll speak a little higher level and then Robert can get more specifically into that. But certainly for this season, you know, we made a real concerted effort to get up there and work directly with the customers.

And we were part of a task force. SGI was there working with protection services and all other insurers. And we did a lot of the work to collaborate and make it easier for customers, and to expedite getting the materials and basically cleaning up and stuff. And that's pretty huge. And that would be part of the concern is the cost of things in the North for getting service and getting materials. And so there was a real collaborative effort to bring those costs down by collaborating.

So I'll let Robert get more into the insurance piece but I'll just say at a higher level, there's some really good work under way. I'm on the board of the Institute for Catastrophic Loss Reduction, and they've done a lot of science on how we can make homes more resilient for various perils and wildfire is one of them.

And as a result of this we are working with protection services and the institute to come up with climate resiliency plans and recovery plans. Not just response plans, but recovery. And if you have those plans in place, there is federal money that the province can apply for to help offset some of the costs.

But there's a lot of interest from insurers to build back better because when you're in an area, whether it's hail or flooding or wildfire, if you build to be resilient to those perils, it's good for all of us. So there's a real collaboration going on with insurers and protection services and the institute in helping us build these recovery plans. And that can lead to a lot of things, like offering discounts if you have more resiliency in your homes, once we start to see the savings in claims.

So there's a lot of effort going in to this, and I think it's just going to improve the resilience here in Saskatchewan as we have these discussions. But I'll turn it over to you, Robert, for more of the insurance perspective for the North.

Robert Osicki: — Yeah. Well you covered it really well, Penny. You know, a few things that I would add is there are, I would say, some unique and specific challenges to insuring properties in northern communities. These communities are more remote and they do pose higher wildfire risk — there's no doubt about that — but also additional challenges just in terms of, you know, inspecting properties, getting building materials back up there after a claim. That's more costly. So there are some specific

challenges that the northern remote communities present that the entire competitive insurance industry grapples with.

You know, what I will say is that at SGI Canada, although we're a competitive property and casualty insurer, we do kind of take into account the fact that we need to heighten our service levels inside the province of Saskatchewan as a Crown insurer. We take that social responsibility seriously as a competitive insurer in the province.

So we want to ensure that insurance is affordable, accessible to, you know, all customers inside of Saskatchewan while recognizing the fact that it's not practical or reasonable to cover all the risk. It's important to have a healthy, competitive insurance market in Saskatchewan. So we know we have a heightened responsibility and obligation to ensure the accessibility and affordability of insurance. And you know, we take that philosophy seriously.

Darcy Warrington: — Thanks for that. Really appreciate your sentiments on SGI Canada really valuing the service that they provide to people in the North. I think it would be fair to say, if you were to look at an equivalent to, say, to our southern neighbours down in southeastern United States, there's some properties that are really struggling to get anyone to provide at least affordable insurance, let alone any at all.

So it sounds like SGI Canada is ready to be a partner moving forward. You know, you talk a little bit about federal money towards fire resiliency. I think all of that is very important. And all that being said, I'd maybe just take a moment to turn things back to the Chair in case there's final remarks. I have some other questions, but I'm pretty happy with the responses I've received so far, Madam Chair.

Chair C. Young: — All right. Thank you, Member Warrington. Thank you, Minister and your officials, for your time this evening. Minister, if you have any closing remarks you would like to make.

Hon. Jeremy Harrison: — Well I would — not at any length — just noting that we have agreement at the committee then to deem two hours, because we're a little bit short. So if we're okay in deeming that to be two hours . . .

Chair C. Young: — Unless somebody else has more questions.

Darcy Warrington: — Oh, sorry. I can still . . . My apologies.

Chair C. Young: — No, that's okay.

Darcy Warrington: — I don't know how all this works.

Hon. Jeremy Harrison: — We're good. We're good.

Darcy Warrington: — You're good?

Hon. Jeremy Harrison: — We're good.

Darcy Warrington: — Okay. Are you saying like . . . No one's complaining on either side. Yeah. No, I'm happy with the responses received.

Hon. Jeremy Harrison: — Are you sure? No, I would just say again, thanks to the committee. Good questions. Appreciated the conversation here. It was a very good one. And you can see how we have been so well served by the leadership team at SGI. And just again, thank you, Penny, for 40 years of service to the people of this province.

Penny McCune: — Thank you very much. It's been a huge honour and a pleasure.

Chair C. Young: — Member Warrington, do you have any remarks you'd like to make closing out?

Darcy Warrington: — Yeah. I was really pleased with all the responses. There was a lot of cordiality in this room. Sometimes there's not very much cordiality in this room. But I think everyone here recognizes the importance of SGI and the generations of service it's provided for the people of Saskatchewan.

I guess I'll just say that, you know, I recognize the deficits, the losses that have been accumulated at SGI. It's just difficult for the people in the province when they have so many different financial pressures that . . . You know, it's not necessarily anything against SGI, but it's just all of it is coming at the same time. So certainly don't mean to shoot the messenger.

Thank you for your thoughtful responses to all of the questions today, and thank you to Penny for your service to SGI and to this province. So thank you, Madam Chair.

Chair C. Young: — So having reached our agreed-upon time for consideration of these estimates, we will adjourn consideration of the estimates for Finance this evening. And that concludes our business for today. And I'd ask a member to move a motion of adjournment. Mr. Steele so moves. All agreed?

Some Hon. Members: — Agreed.

Chair C. Young: — Carried. This committee stands adjourned until Tuesday, April 21st, 2026 at 3:30 p.m.

[The committee adjourned at 22:00.]