STANDING COMMITTEE ON PUBLIC ACCOUNTS

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STANDING COMMITTEE ON PUBLIC ACCOUNTS

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[The committee met at 10:00.]

Chair Wotherspoon: — Okay folks, good morning. We'll convene the Standing Committee on Public Accounts. My name is Trent Wotherspoon. I serve as the Chair of the Public Accounts Committee.

I'll introduce our committee members: Deputy Chair Wilson, MLA [Member of the Legislative Assembly] Chan, MLA Crassweller, MLA Beaudry, MLA Gordon, MLA Pratchler.

I'd like to welcome and introduce our officials from the Provincial Comptroller's office: Provincial Comptroller Brent Hebert and assistant provincial comptroller, Jane Borland.

And certainly I'd like to welcome and introduce our Provincial Auditor, Tara Clemett, and her officials that are here with us here today from the Provincial Auditor's office.

Farm Land Security Board

Chair Wotherspoon: — Our first agenda item here today will focus on agriculture and the chapter pertaining to farm land security. At this time as well I'll table the document PAC 56-30, Farm Land Security Board: Status update, dated October 16th, 2025. I want to thank those that prepared that document, those whose work is reflected within that document as well.

At this point I'm going to turn it over to our Provincial Auditor to present this . . . Oh, sorry, yeah. Good help here. I want to welcome Assistant Deputy Minister Standish to the Public Accounts Committee along with her officials. I'd ask her to briefly introduce those officials. You don't need to get into comment on the chapter at this point. Introduce the officials. Because we'll get a presentation from the auditor, then we'll come back your way.

Amy Standish: — The officials I have with me today are Kim McLean — she's our director of our board governance unit and also the general manager of the Farm Land Security Board — as well as Rob Pentland, our executive director of our corporate services branch. Thank you.

Chair Wotherspoon: — Right on, thanks so much for joining us. I'll turn it over to our Provincial Auditor to make presentation, and then we'll come back your way.

Tara Clemett: — So thank you, Mr. Chair, Deputy Chair, committee members, and officials. With me today is Mr. Jason Shaw, and he is responsible for leading the audit that did take place at the Farm Land Security Board. With me as well, directly behind me and to the right, is Ms. Nicole Dressler, and she was also involved in the audit that we are discussing today. Beside her is Ms. Kim Lowe, and she's acting as our liaison with the committee today.

Jason's going to present the one chapter noted on the agenda. It is a new performance audit, and so there are 10 new recommendations for the committee's consideration. I do want to thank the assistant deputy minister and all the staff at the Farm Land Security Board for the co-operation that was extended to us during the course of our work.

With that, I'll turn it over to Jason.

Jason Shaw: — Thank you. *The Saskatchewan Farm Security Act* and related regulations restrict the amount of Saskatchewan farm land that non-Canadian entities — that is, individuals and corporations — can own or lease. The Farm Land Security Board is responsible for administering the Act and regulating the control of Saskatchewan farm land, including approving exemptions for non-Canadian entities to control more farm land than the legislated limit of 10 acres.

Chapter 11 of our 2020 report volume 2, starting on page 71, reports the results of our audit of the effectiveness of the Farm Land Security Board's processes to regulate foreign ownership of Saskatchewan farm land by non-Canadian entities. We concluded for the period ending August 31st, 2024, the Farm Land Security Board had effective processes, except in the areas of our recommendations, to regulate foreign ownership of Saskatchewan farm land by non-Canadian entities. We made 10 new recommendations.

Saskatchewan's foreign ownership model is a risk-based model, as the board reviews farm land transactions after the transaction and land title change is finalized, whereas some provinces that also have foreign farm land restrictions require the government to review farm land purchases before the transaction is finalized.

We found in 2023 the board requested the Ministry of Agriculture to consider changing legislation to assess compliance before the land title change is finalized. We did not make any recommendation; we encouraged the board to continue to work with the ministries of Agriculture and Justice and Attorney General to formally analyze and conclude on the best model for Saskatchewan.

On page 82 we recommended the Farm Land Security Board update its statutory declaration form templates to require permanent residents provide proof of residency when submitting statutory declaration forms.

The board staff requests proof of residency from landowners called "statutory declarations" for higher risk farm land purchasers to assess compliance with foreign ownership requirements. If the board requests a statutory declaration from a purchaser, it becomes mandatory to comply.

We compared Saskatchewan's statutory declaration templates to Alberta's template and found Alberta's form requires a permanent resident to provide a copy of their permanent resident card and waiver authorizing the federal government to release that person's resident information to the Alberta government. This provides another source of information to verify the purchaser's residency status complies with foreign ownership requirements.

Without requesting readily available and verifiable proof of residency status, the board has less robust information to determine whether residency status for individuals and corporate shareholders comply with legislative requirements.

On page 83 we recommended the Farm Land Security Board set an expected time frame for staff to review farm land transactions

to assess compliance with *The Saskatchewan Farm Security Act* and related regulations.

We found the board did not have a written time frame for how quickly it expects staff to review farm land transactions. Management told us it had an unwritten expectation for staff to review farm land transactions within two months of the transaction taking place. As of August 2024 we found staff were reviewing transactions approximately five months after the transaction date. Delays in reviewing transactions caused delays in staff requesting information to determine compliance. If the board identifies non-compliance with the Act, this late review adds further delays to any enforcement action.

On page 84 we recommended the Farm Land Security Board follow its established procedures to request statutory declarations for individuals and corporations to assess compliance with *The Saskatchewan Farm Security Act* and related regulations.

Staff are to request a statutory declaration for any shareholders, a corporation, or individual purchasers having a non-Canadian address, and for Canadian corporations incorporated outside of Saskatchewan. We found this was appropriate, for example, because other jurisdictions' corporate registries may not require corporations to disclose all shareholders, such as preferred shareholders. In our testing we found staff were not always requesting statutory declarations for non-Saskatchewan corporations as required by its procedures.

During our testing of 18 farm land purchases made by corporations incorporated outside of Saskatchewan, we found the board did not request or receive a statutory declaration for nine corporations. Instead it relied on other jurisdictions' corporate registry information that may not be complete. Not requesting statutory declarations as required by its procedures increases the risk the board does not use sufficient information and does not identify foreign individuals or corporations owning Saskatchewan farm land.

On page 85 we recommended the Farm Land Security Board work with the Ministry of Agriculture to determine how to enforce restrictions on foreign leasing of farm land under *The Saskatchewan Farm Security Act*. The Act's definition of "land holding" includes any interest in farm land held under a lease agreement. This means the Act restricts land holding, including foreign leasing of farm land, to less than 10 acres. Farm land leases could be formal or informal between parties. There is no central listing for farm land leases in Saskatchewan. Leases may be registered on the land title, but this is not a requirement and is not common in Saskatchewan.

Currently the board reviews leases on a complaint basis, if it receives an exemption application, or if reported on a statutory declaration form. Provincial legislation tasks the board to enforce the foreign leasing of farm land restrictions, but does not provide it with a practical way of doing so. This reduces the board's ability to effectively enforce lease restrictions, increasing the risk the board will not detect foreign entities leasing Saskatchewan farm land, thereby making farm land unavailable to Saskatchewan farmers.

On page 87 we recommended the Farm Land Security Board document in its meeting minutes declared conflicts of interest as required by its board manual.

The board's manual requires board members to declare conflicts of interest at each meeting and document the nature of the conflict. During our testing of all board meeting minutes from August 1st, 2023 to July 31st, 2024, we did not see sufficient documentation of declared conflicts of interest, including the nature of the conflict. Instead the minutes documented when board members left and returned to meetings, but did not indicate whether their departure was due to a conflict of interest. Not clearly documenting declared conflicts of interest increases the risk that the board is unable to demonstrate it makes fair and impartial decisions when evaluating compliance with foreign farm landownership rules.

On page 89 we recommended the Farm Land Security Board provide adequate notice to exemption applicants informing them as to when the board will discuss farm landownership exemption applications.

At August 2024 the board's public website included all upcoming board meeting dates and a deadline to submit exemption applications to be considered in that meeting. However the website did not include which applications will be discussed at each meeting, and we found staff did not communicate this to the applicants.

We found four of the seven exemption applicants tested attended board meetings to present their exemption application. The board and staff did not communicate to the other three applicants specifically when the board meeting planned to discuss their applications. Upon request the board allows applicants to present information about their application. Good practice is for administrative tribunals to provide applicants notice of hearings of when tribunals will make a decision.

This increases the risk of appeals if the board has not provided an exemption applicant the opportunity to present additional information or to answer the board's questions.

On page 91 we recommended the Farm Land Security Board provide timely communication to individuals and corporations about requirements to sell when not in compliance with *The Saskatchewan Farm Security Act*.

Staff may identify non-compliance with the Act by reviewing farm land transactions, assessing complaints or exemption applications, and reviewing whether individuals or corporations meet the terms and conditions of past board orders. The Act requires foreign entities in non-compliance to divest farm land immediately or as specified by the board. In practice, we observed an example of the board providing up to one year to divest.

We found two cases where the board made a decision to require the corporations to divest land or to apply for an exemption, but staff had not communicated this expectation to the corporations, two and six months respectively. Not providing timely notice of the need to sell land leaves the owner with limited time to comply with farm landownership restrictions.

On page 92 we recommended the Farm Land Security Board formalize procedures for the escalation of enforcement actions to

address identified non-compliance with *The Saskatchewan Farm Security Act*.

The board did not have escalation procedures for staff to take further action or when to report unreceived statutory declarations to the board. We found as of August 2024 the board sent eight statutory declaration requests to individuals or corporations since 2020 where it did not receive a response. As a result, the board was unable to conclude whether these eight purchasers complied with the Act.

Without documented escalation procedures, the board may not take sufficient or consistent enforcement actions that may deter individuals and corporations from not responding to requests for statutory declarations.

On page 93 we recommended the Farm Land Security Board use sufficient performance indicators to monitor effectiveness of its regulatory activities related to foreign ownership of Saskatchewan farm land. The board has not identified sufficient performance indicators to assist it in identifying whether the board meets its objectives for regulating farm landownership. For example, it should regularly monitor the time frames staff take to review farm land transactions. Without sufficient performance indicators, the board cannot effectively assess and publicly report on the regulation of foreign ownership of Saskatchewan farm land. Further, the board may be unable to identify trends to inform ways to improve its processes.

On page 94 we recommended the Farm Land Security Board enhance its public reporting of all of its key regulatory activities related to regulating foreign ownership of Saskatchewan farm land. The board publicly reports on certain farm landownership activities taken each year in its annual report. For example, its '23-24 annual report focuses on exemption applications granted and denied, and it also includes a number of orders to reduce landholdings, administrative penalties issued, and files sent to public prosecution.

The board did not publicly report on other key regulatory activities related to its review of about 40,000 farm land transactions each year. For example, it does not publicly report on non-compliance trends as a result of reviews, response rates on requested statutory declarations, or compliance with the board orders to sell land when it identifies non-compliance. Publicly reporting on enforced activities and including examples where the board identified non-compliance may help deter future non-compliance with the Act and enhance public understanding.

Thank you.

[10:15]

Chair Wotherspoon: — Thank you very much for the presentation of, I think, a really important performance audit to the people of the province. A new audit with many new recommendations, so thank you for that.

I'll turn it over to ADM [Assistant Deputy Minister] Standish for some remarks and then we'll open it up for questions.

Amy Standish: — Thank you, Chair. And I'd also like to thank the Provincial Auditor and her staff for the work on this audit.

I am here today to respond to chapter 11, "Farm Land Security Board — Regulating Foreign Ownership of Saskatchewan Farmland," in the 2024 report volume 2. The chapter, as you know, had the following 10 recommendations that I will go through today.

The first from the Provincial Auditor is, we recommend that the Farm Land Security Board update its statutory declaration form templates to require permanent residents provide proof of residency when submitting statutory declaration forms.

This recommendation has been implemented. The board developed new statutory declaration forms for both individuals and corporations, asking for additional information including that proof of residency.

The second recommendation from the Provincial Auditor report: we recommend that the Farm Land Security Board set an expected time frame for staff to review farm land transactions to assess compliance with *The Saskatchewan Farm Security Act* and the related regulations.

This recommendation has also been implemented. The board first directed staff back in October of 2024 to complete transaction reviews within 60 days of receiving that information from ISC [Information Services Corporation of Saskatchewan]. Staff were able to bring that transaction review within the 60-day window by the November 7th, 2024 board meeting. And the board further directed staff to review transactions within 30 days at the January 22nd, 2025 meeting.

Staff have reviewed transactions within the time frames set out by the board since October 2024. And since July 2025, staff have been reviewing transactions received by ISC within that week.

The third recommendation from the Provincial Auditor: we recommend that the Farm Land Security Board follow its established procedures to request statutory declarations for individuals and corporations to assess compliance with *The Saskatchewan Farm Security Act* and related regulations.

This recommendation has been implemented. At the October 2024 board meeting the board made a motion to request that all out-of-province corporations complete a declaration. And this process has been in place since that time.

The fourth recommendation: we recommend that the Farm Land Security Board work with the Ministry of Agriculture to determine how to enforce restrictions on foreign leasing of farm land under *The Saskatchewan Farm Security Act*.

This recommendation has been implemented. The board has received all registered lease interests in the province in January 2025 through ISC and is working through reviewing all of those registered interests in a similar fashion to the ownership transactions. The process for enforcement of these foreign leases is the same as the foreign purchase transactions.

Several of the board exemption orders have also been granted to entities seeking to register a lease interest. And the board continues to monitor these leaseholding exemption conditions, whether that's through reporting requirements or bring-forward dates aligned with those exemption conditions.

The fifth recommendation: we recommend the Farm Land Security Board document in its meeting minutes declared conflicts of interest as required by its board manual.

This recommendation has been implemented. Adjustments were made to how the minutes were written to more clearly document any conflicts of interest.

The sixth recommendation: we recommend the Farm Land Security Board provide adequate notice to exemption applicants informing them as to when the board will discuss farm landownership exemption applications.

This recommendation has been implemented. In October of 2024 board staff were directed to provide written confirmation to the applicants when the applications are received as to when the board will review those exemption applications. The website has also been updated to reflect when submissions are due in order for the applications to be heard at each meeting.

The seventh recommendation: we recommend that the Farm Land Security Board provide timely communication to individuals and corporations about requirements to sell land when not in compliance with *The Saskatchewan Farm Security Act*.

This recommendation has been implemented. Board staff were directed to provide a written reminder for those individuals who would be required to sell inherited land two years prior to their five-year maximum to hold the land. For those required to remove their interest due to non-compliance, a process is outlined in the Act to issue an order to reduce prior to making an application to the court, and the process documents have been updated to reflect that.

The eighth recommendation: we recommend that the Farm Land Security Board formalize procedures for the escalation of enforcement actions to address identified non-compliance with *The Saskatchewan Farm Security Act*.

This recommendation has been implemented. Procedures were formalized around the escalation of enforcement actions by updating those board meeting materials to allow for more detailed information regarding outstanding declarations and files where compliance remains in question.

The ninth recommendation: we recommend the Farm Land Security Board use sufficient performance indicators to monitor the effectiveness of its regulatory activities related to foreign ownership of Saskatchewan farm land.

This recommendation has been implemented. Statistics are provided to the board and then to the public, including status and number of investigations, timeliness of transaction review, statutory declarations requested and received, as well as exemptions, including acres requested and received.

And finally the 10th recommendation from the Provincial Auditor's report: we recommend that the Farm Land Security Board enhance its public reporting of all of its key regulatory activities related to foreign ownership of Saskatchewan farm land.

This recommendation has been implemented. You will be able to find in the annual report tabled July 29th, 2025 it was updated to include those additional metrics for the general public.

And now I believe the team would be pleased to take any questions. Thank you.

Chair Wotherspoon: — Okay. Thank you very much for the comments and for many of the actions that have been taken as well in response to the audit. I'll open it up now to committee members that may have questions. MLA Pratchler.

Joan Pratchler: — Thank you. Does the ministry operate with the belief that all farm land in Saskatchewan should be owned by Saskatchewan residents?

Amy Standish: — And so within the Act I would say it outlines kind of the ownership rules. I do not believe that it is only Saskatchewan residents who own land. There is many projects and corporations within the province who have viable projects, projects that are very good for our economy that we do want to see in this province.

So I may defer that question, but generally speaking the Act does allow for non-Canadian residents. It's just that there's the bit of the process that we must go through to make sure that we're doing the due diligence on the ownership side.

Joan Pratchler: — Okay. Thank you.

Amy Standish: — I will turn to Kim McLean just to add further details to that.

Kim McLean: — There is some confusion around the Act limiting ownership to just Saskatchewan. The Act was brought in in 2003 to expand to Canadians and permanent residents. So we are open across Canada and you have to fall within that criteria to own more than the 10 acres. And then of course the board is able to provide exemptions for anybody that is requiring land to perform business in Saskatchewan.

Joan Pratchler: — Thank you.

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — I know you addressed one of the recommendations to bring reviews within 30 days. And I think you — correct me if I'm wrong — you said that you've improved that yet, have you not? Or is it still 30 days, correct?

Amy Standish: — Just to clarify, are you talking about the statutory declaration review, transaction review?

Hugh Gordon: — Yes. Transaction reviews, yes. But this is still occurring after the fact, correct?

Amy Standish: — Correct.

Hugh Gordon: — So I guess I have to ask the question, why are we still not doing what other jurisdictions like Alberta and elsewhere are doing? That we request this information, when you're uploading documents, changes of title registration to ISC, why are we not just simply requesting proof of residency or

statutory declaration, or whatever it might be? Particularly when we're talking about non-Canadian residents or foreign entities, whatever they might be, in purchasing land — whether it's 10 acres or more, whether they've applied for an exemption or not — this sort of seems to be inconsistent with the spirit and the intent of this legislation.

Amy Standish: — Thank you for the question. And so registration of land in the province involves not only *The Saskatchewan Farm Security Act* but also *The Land Titles Act, 2000*. And so as the Provincial Auditor has highlighted in the report and the recent audit, there are pros and cons to registration happening before and after, and we've seen that model used across different provinces.

And so we are continuing to explore options to determine what makes the most sense for Saskatchewan farmers and ranchers. And we will be looking also to that advisory committee that was recently struck to provide feedback as they do some of their engagement on what makes the most sense in the province.

Hugh Gordon: — I can appreciate, you know, an evaluation of the pros and the cons of the process. I guess I'm putting on my old retired cop's hat here a little bit. And you know, I won't call them bad actors, but let's say people who want to take advantage of a system who are going to find loopholes, who are going to find the holes in, whether it's a process or legislation, whatever it might be, this sort of seems to be one of those doors that is left open for potential abuse.

Regardless of the fact that perhaps the cost of trying to detect that abuse in advance may dissuade you from going that route, in my mind it opens up some holes here in terms of actors or people that might try to take advantage of it.

One small example of that might be the fact that, you know . . . We have foreign entities or other entities; let's say you detect them, after the fact perhaps. And they know before they have to register with ISC, they can make the transaction; they can arrange for financing; they can acquire the land. And then they can submit documents — and we'll get into maybe a bit of that later too — for review by the board. And you may catch it. Hopefully you do. And maybe there's not a statutory declaration at that time, but then you request a statutory declaration. But they know these things take time.

So let's say a bad actor decides to buy 1,000 acres, foreign entity, non-Canadian. They buy the land; transaction goes through. They've arranged for financing, and that may be dubious too. Who knows? But let's say that that happens. And they submit all their documents to ISC. You do the review. You determine that they require a statutory declaration. They either do comply or don't comply. Either way, you eventually go down the path where they decide, you must divest of this land. But we're giving these guys five years to do it. Does anything in that scenario change in terms of the timeline to divest if we've detected a bad actor has taken advantage of this weak point in our review process?

Amy Standish: — So I'll provide some, kind of, higher level remarks, then I will turn to Kim McLean to provide some more specifics.

I would say from the moment that it is recognized that there could be illegal ownership of farm land and there is an order to divest from the board, that action is immediate. And so I did want to clarify perhaps. You said the five-year time frame, and the five-year time frame is for land that is inherited. And so there is, outlines in the Act that talks about the five-year time frame. Whereas if it is found that there is illegal ownership of farm land, it would be sort of the immediate order to divest that would happen.

And so with that, I'm going to just turn it to Kim McLean to provide a little bit more detail there.

[10:30]

Kim McLean: — Yes, I guess I never introduced myself. Kim McLean, director of board governance and operations, as well as the general manager for the board.

So the stat dec clarification at the start of ownership is also at that point in time. If somebody wanted to be a bad actor, they could do that after the transaction occurs, and so we would still be in the same place of making sure that we are monitoring, enforcing after the land has transacted. But we do have the ability. Once we have determined they are offside, the board can begin with their order to divest and work through the court application to force the sale of that land.

Hugh Gordon: — As a follow-up, there would be a court process that would have to be engaged. This could be lengthy. The GTH [Global Transportation Hub] flip happened in short order where we lost, the taxpayer lost out on a lot of money very quickly on the flip of land in a short period of time.

Whether it's five years or an immediate order to divest, what is, you know, what's stopping an entity — foreign-owned, criminal organization, just plain old bad, or just someone that wants to take advantage, an investor from outside of the country that wants to take advantage of rising valuations of land — rolling the dice on your process under review, as robust as you may feel that it is?

And then like okay, let's say the order comes right away, but they want to tie it up in court because they know at the end of the day the sale of the land is going to be worth the hassle. It's going to be worth the legal fees. It's going to be worth tying up in courts.

We've got a lot of farm land. It's worth an enormous amount and rising every day. You get my drift. That's just a concern that I have, and I don't know if you can answer that question effectively. I know that you are restrained by what you're capable of doing, what powers, authorities, processes are available to you, and I appreciate the position you're in.

I'm just wondering, do you believe the government could be giving you more tools in order to ensure that, you know, people who are looking to take advantage of the current system as it is aren't able to drag this out in perpetuity in order to do a quick flip or make a quick buck?

Amy Standish: — And so I'll kind of go over just a few additional points, but I'm not sure how much new information to kind of shed on this. And so I will say too — and this came

through the audit as well — I do believe that the board and the board staff, with the legislative tools that they have today, do an effective job of this process in kind of protecting the farm land in the province.

And so one of the findings in the auditor's report — and yes, recommendations for improvements in those processes — was that there was no illegal, unauthorized ownership of farm land that they found through their test cases. And so I think that shows the effectiveness of some of the processes that we have in place.

And to the last point, again because it is just the differences of models, and we do have to continue to just assess the pros and cons and make sure whatever we're doing that there's no unintended consequences. And to your point making sure we're looking for any loopholes, limiting those wherever possible, both from the ministry's standpoint, but also the board in their processes.

So that work is under way. We still need to kind of go through that analysis before kind of determining, but in the meantime we were pleased to see through the audit that those processes are working for no illegal, unauthorized ownership.

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — One of the things that the auditor noted in the report was that there was concern that corporations could be acquiring land, essentially, shall we say "utilizing" . . . I don't know if I have the wording correct; I don't have it here before me. But essentially like putting up a nominee to buy the land. Essentially a corporation that for whatever reason has, you know, a Saskatchewan resident as a shareholder, on the board of directors, or as a president, or whatever it might be on those documents that are submitted to ISC.

And I'm just wondering, like what processes do you have to ensure that a corporation is either truly Saskatchewan, truly Canadian, versus a foreign-owned entity? What steps do you take to ensure the people that are being submitted essentially as owners of the property, or on title, aren't nominees, for example, like one might see in a proceeds of crime investigation?

Amy Standish: — Thank you. And so this does connect in with one of the recommendations that came through that auditor's report. And work was done to actually go through and update the statutory declaration forms. Twofold. Because now any out-of-province corporations, it is mandatory that they must fill out a statutory declaration. That was a shift in process to make sure that we are getting those for all of those out-of-province corporations. Additionally when you look at the statutory declaration forms now, there are significantly more questions that we're kind of getting into to get additional details.

I can give you the example from one of them. So on the corporate farm landownership statutory declaration form that's been updated, if I go to the 13th question — and this is just to provide a bit of an example — it says, "Is the corporation acquiring a land holding on behalf of a non-Canadian citizen, a non-permanent resident of Canada, a non-Canadian-owned entity or pension fund?" So it's starting to really drill into a lot of that detail in addition to things like proof of residency that we are now . . . The board has changed that process.

Chair Wotherspoon: — Just on that note there, I'm very interested in this area of work. This is something that we've been calling for like going on a decade here as far as the statutory declaration and statement of beneficial interests and certainly residency. Because it's just been really lax and we've had sort of the Wild West out here, when you chat with some of the legal community and business community that understands that deals can be structured in very kind of complex ways from a financial and legal perspective that skirt the spirit and intent of our law.

And they haven't then left the Farm Land Security Board with the tools to be able to enforce our laws. And meanwhile there's the risk that significant portions of farm land across this province have been acquired with foreign investment and have foreign ownership that aren't legal.

So I guess I'm glad to see some of the actions that are being taken now. I'm incredibly frustrated, not with those before us here today, the very good civil servants that are here, but with ministers previous and governments previous because it's pretty hard to get the toothpaste back in the tube on this front. The impacts are being borne by producers in this province, who deserve a law to be enforced and a fair playing field to acquire land and grow their operation.

So to the declaration piece here, I guess one question would be . . . Now the declaration, the statutory declaration is only in place for out-of-province entities. Is that correct?

Amy Standish: — So I'm going to turn this over to Kim McLean, who has a lot more technical details on this one.

Kim McLean: — So the board passed a motion back in I think it was the July meeting where, moving forward, we will request a stat dec from every new landowner in the province. And Canada Post has put a little bit of a holdup on that, but we are moving forward. I'm meeting with the Law Society this afternoon to go over the new requirements of the stat decs, what we're requiring for each completion.

One question that was added to the corporate stat dec is that they provide the internal control registry that is required as part of *The Business Corporations Act*. That will be submitted by every corporation that has purchased land. We will ask for each corporation to complete a stat dec — well, every landowner to complete a stat dec — on the new forms. We will also go back to them on an annual basis if they're purchasing land moving forward.

And then once we get a process in place and get this dialed in, we'll probably go back to them routinely just to make sure that they are still the current registry that comes through, and we will rely on that information. So the board is very aware and wants to make sure that they are doing their job, and so they are asking for all those stat decs. We are just in the process of doing the change management piece that will go with that to make sure that everybody is aware of it and submitting it and that we will follow up with that.

Chair Wotherspoon: — The statutory declaration then, so just to clarify, it applies to every transaction, not just every new owner of land. Is that correct? Every transaction.

Kim McLean: — Correct. What we receive from the board is every transaction that occurs on rural municipality land in the province. And so all of those transactions, whether it is an inheritance or an estate planning where it transfers from a father to a son through an estate, they would require that at that time as well.

Chair Wotherspoon: — And can you speak about the process to develop what's required in that statutory declaration? We've had shared some of those components here. We recognize that deals can be organized in a very complex way by way of their financial structure and legal structure.

So my question to you is, who have you consulted on this front? And are you confident that the statutory declaration will provide the information that you require to ensure that transactions are legal and that you're able to enforce them? So statements of beneficial interest, statement of capital and equity and financing and legal structures within them, and then of course residency is one component of that.

Kim McLean: — So the statutory declarations are the tool of the board. And it is all through legislation the questions that they are allowed to know. The Act allows for it to be voluntary. The board has made the choice to make them . . . We are moving forward requesting them all, and then it becomes mandatory. The board created the tool themselves for what they needed to ensure that compliance is in place. The board went through the legislative direction in who is allowed to own land, the criteria that was needed, and used that to help them answer their questions that they need to feel confident in the compliance.

We did work with the corporate registrar to make sure that we were asking questions that would align with *The Business Corporations Act*, make it so that it was very straightforward for corporations and individuals to fill out the form. So the form itself really leads through the questions, whether it is a pension plan, whether it is a trust. And so it goes back to answer the questions that the Act lays out to make sure that they would be compliant with that. So because it is the board tool, the board created the form that would meet their needs.

Chair Wotherspoon: — Was there a consultation with the ag community, but importantly as well the legal community, that have knowledge as to how deals have been structured that aren't in keeping with the spirit and intent of *The Farm Land Security Act*? You know, in simpler terms, those that have knowledge about how deals have been structured to get around our Act?

Amy Standish: — So the statutory declaration, as it is currently formed — and to Kim's point earlier on how it kind of goes through the questions in the Act, so aligned very much with the current legislative framework . . . The board itself, different than say the ministry or government, would not go out and necessarily consult but certainly engage with, through their relationships and their resources that they have available to them — whether that's legal counsel, the corporate registrar — to kind of go through and make sure that they're meeting those needs.

[10:45]

I think as the next step, though, from the ministry standpoint and working closely obviously with the board, is thinking about that new advisory committee. And so this is the statutory declaration revisions that we've seen to date to kind of enhance and make sure that there's compliance there. But obviously we will be looking to that advisory committee as well to say, is this meeting the needs, are there other things, as they go through that more formal engagement process to seek further.

So always looking ahead, to your point of it's an improvement today, the statutory declaration. And I would just say kudos to the board and the board staff who have put a lot of time into kind of improving that process. But obviously looking forward to more analysis and recommendations coming through that advisory committee.

Chair Wotherspoon: — Yeah. No, and we've got no end of respect for the role and function and the team at the Farm Land Security Board. And I've certainly given it huge credit over the years as we've offered up, you know, serious criticism of the lax enforcement by the province and the current environment that has allowed a real risk for our farm land security laws or our farm land security Act to be breached and compromised. So thank you very much of course to that team. They've needed resources and teeth for a long, long period of time.

But it is going to be critical that a statutory declaration in fact, you know, provides the information that allows the types of deals that could be structured to breach the laws and not be caught, to make sure that that information's collected. And certainly there's, you know, those within this province and beyond that would have knowledge and expertise in how those deals are structured. I think it's critical that they're engaged in this process to make sure, in fact, that we've got an effective tool.

I've got a question with respect to the . . . Some of this is kind of as we move forward. With respect to the statutory declarations or audits or reviews of landownership across the province, is there anything that's being done to review current landholdings for integrity or to make sure that they're in keeping on this front? So to go back and look at . . . And it's maybe a risk-based approach. I don't know exactly what tools would be utilized. Is there anything that's being done to go back and review land that's been acquired over the last number of years?

Amy Standish: — Thank you. So you were absolutely right that for the most part it is risk based. And so we always encourage — and you'll hear us say it lots and others say it lots, about when there's complaints — to please forward them in and have kind of an email that we flow those through to make sure that the board gets those. And so when they do get complaints in, the board has the authority then to request a stat dec and use all of those legislative tools that we've kind of gone over. They would all be available to them on that risk-based approach.

One of the other things, and I guess a bit of a new — not new — process, but they continue to regularly monitor. And there's different ways. So at the board's discretion they can go to any of those current landholdings and take a look, whether that's requesting more statutory declarations, doing a little bit more digging on that side. And so, yes, risk-based complaints, but also board's discretion. I won't call it an audit, but kind of audit based. You can kind of frequently go back and make sure you're revisiting some of those existing landholdings just to make sure.

Chair Wotherspoon: — Thanks. And when I say risk based, like certainly I respect that a complaint should be acted upon, and I respect that you have the independence as a board to go back and review. But risk based as well when you're going out and reviewing, sort of, landownership in the province and some of the changes that are occurring. Maybe it's possible to have statutory declarations on all of the land in the province going back. So maybe that's a possibility. It would provide you some solid information.

If that's, you know, too cumbersome or not realistic, maybe some sort of review on the larger acquirers of land in the province, and going back and doing an audit and review and statutory declarations, ensuring understanding of ownership and capital and financing structures on those, in this case, might be some of the larger entities that are growing rather quickly.

And I think this is important for lots of reasons because there's a lot of concern out there in this province about this matter. And folks, you know, may even have aspersions around a farm that may be growing rather quickly, and I think it's important that we have the information to be able to ensure integrity on these fronts. It's also then . . . If someone's acquiring land in keeping with the laws, it's important to their reputation as well.

Now if someone's growing really quickly and competing with an unfair playing field, then that needs to be acted on and enforced. Now to the questions of enforcement because it's rather critical here around sufficient penalties and impacts to deter, I think, as my colleague was describing here, sort of this attempt to breach our laws.

So I guess I have a question with respect to when an order to divest has occurred. Does the entity right now retain the profits on that land? So if an entity . . . Let's say you found someone who had acted as a bad actor eight years ago acquired land. Now you've got an order to divest that land. Does that entity or person that acted in bad faith and breached the laws then retain the profit in the sale of that land? Which if you look at a period of time in this province of a decade or something for a landholding, we're talking about millions and millions of dollars that they would be then retaining as a profit.

Amy Standish: — So in this situation kind of going through the order to divest, lots of these cases would go before the courts, and so some of the court proceedings, what comes through that. One thing that I would point you to right in the — I think I'm in the Act, under the "Enforcement of limitation of land holding" — I think it is 5(d). Just to read out:

> An order for the sale of the land holding held in contravention of this Part and the distribution of the proceeds from the sale to those persons that may be entitled to the proceeds.

So it is not specific but there is pieces in there as the court is moving through to determine kind of what is happening, if land is actually being held in contravention of the Act. And so I can't comment on any specific cases, but just that those matters do go before the courts, to take a look at the individual circumstances and the tools within the Act.

Chair Wotherspoon: — Just clearly we need sufficient penalty and consequences to deter illegal activity. And not to delve into kind of the policy field debate or discussion at this table, but certainly those penalties need to be sufficient; those impacts do.

And certainly it seems completely wrong to me that someone could act illegally, breach laws, organize a complex structure to do so, and then retain millions of dollars of profits. You know, it should be clear from my perspective that there should be forfeiture of those profits on divestment, and certainly sufficient fines as well. I see fines being identified of 10,000 bucks; well that's nothing. If you've held thousands of acres of farm land for 1, 2, 3, 10 years and experienced the inflation that's there, 10,000 bucks as a fine is absolutely no deterrent at all.

I see my colleague has a couple more questions here as well. MLA Gordon.

Hugh Gordon: — I concur with the Chair in this regard. You know, just I think it's clear that more tools are required. I think you guys need more tools in your tool box to do your job more effectively.

You know, whether we were talking about, like . . . Okay, statutory declarations are now being received going forward, you know, irrespective of whether you look back. But you know, how robust is it? Like we're determining, like someone isn't just a nominee that, say, a Chinese-owned corporation decides to pay a Canadian resident whatever amount. Would you please be our nominee in this land transaction? And so on paper, by all accounts, even with the statutory declaration, they're a permanent resident. They're a Canadian-born citizen. They're a Saskatchewan resident. That all looks great, but at the end of the day the beneficiary, it's not them.

So you know, that also begs the question of what are you doing, or what can you do, to ensure a lot of these transactions, for example, are FINTRAC [Financial Transactions and Reports Analysis Centre of Canada]-compliant, to ensure that the funds that are being used to acquire this land aren't coming from either proceeds of crime or from some other foreign entity?

So it needs to be more robust in that regard. I'm going to imagine that you don't have a lot of tools in your tool box right now to deal with something like that. Am I right?

Amy Standish: — So I have some resources here I'll kind of refer to, but I will mention too when we look at purchases of farm land, there is the board in that process there. There will be others in the process of a sale, whether it's the Realtors Association as well, that have some responsibility to kind of take a look at some of those things as well.

So what I will say too is that all the money used to purchase farm land in the province must be personal resources, a registered Canadian financial institution, or private lending from a Canadian or permanent resident. So board staff will ask for those statutory declarations to gather the additional information where there's questions as to the financing of the land. And each statutory declaration will ask where the financing was obtained.

Upon submission to the board, board staff will then review for any red flags or begin to explore further. They can monitor all financial instruments registered on title, which is one way. When

there may be concerns throughout the monitoring of the sale transactions, the title will be obtained to determine what interests have been registered. And if the board receives a complaint, the titles will be obtained to determine if there are entities with registered interests as well.

The only last piece I'll just mention is the board has the authority to investigate suspected violations of landownership again, and again utilizing some of those powers under *The Public Inquiries Act, 2013* which allows it to conduct hearings and gather further information.

Hugh Gordon: — I appreciate that. I also know that people have to declare things too and if they don't, you know . . . It's just like the firearms registry, right. Like bad guys don't register their guns, right. So that's another concern going forward.

And another concern might be also too is how do you mitigate, how do you ensure that an entity — even a Canadian corporation — that buys the land and for whatever reason is asked to divest it, doesn't flip it back to itself under another, you know, numbered company or a holding company? You know, Canada's corporate registry laws are pretty lax. Like you can put anyone pretty much on a registry, is my understanding. And so it's difficult to determine who the actual beneficiary owners of things are. That's what I'm getting at. And so I'm not dumping this entirely on your shoulders. I appreciate it's a lot. But these are the things I hope that the board is contemplating going forward.

[11:00]

I think you alluded to, in answer to a question that I think the Chair had with respect to, you know, looking back and trying to determine what the current state of farm ownership is in the province, and I'm just going to ask you this: if the board has an understanding or knows what percentage of Saskatchewan farm land is currently owned by foreign entities, whether exempted or not.

Amy Standish: — And so I will say just the way that we record our information, we don't keep the records in a way that we can kind of desegregate that way, and also just with land changing every day it would be incredibly difficult for us to kind of continue to track it that way.

Hugh Gordon: — Fair enough. Perhaps if there was a process through ISC where we're able to check off a box with a statutory declaration, we could determine that going forward and then we would keep real-time numbers. Just a hint.

Also I would imagine you . . . Well maybe I'll ask. Do you know what percentage of Saskatchewan farm land is owned by corporations, Canadian or non-Canadian?

Amy Standish: — So again, just the way that our data tracking works for monitoring the Canadian versus non-Canadian enforcement and exemptions, we don't have the data point to respond there. It is something too, when we think about *The Land Titles Act* and ISC, that's something we could inquire with them to see how they may track that.

Hugh Gordon: — Could I ask the board to endeavour to acquire that information and provide it to the committee?

Amy Standish: — So what I understand too is it is something we can ask the question and understand what the cost may be as well. And so right now even the board kind of getting the land transaction data, the lease data, that all comes at a cost to government. So before any kind of commitment, I think we would have to understand whether they hold that data in that form that we could pull, but also what the cost would be. But we can certainly ask those questions.

Hugh Gordon: — And perhaps I'll get to ask it again in the future. Thank you.

Chair Wotherspoon: — I'm going to come to MLA Pratchler here. She's got a question. I just want to be clear again with respect to the very important role of the Farm Land Security Board and the important function they've provided.

And we've entered in with some pretty significant criticisms over the years and some, you know, entries here today. And from my perspective that lands directly, just to be clear, not with those at the end of this table but with the Minister of Agriculture, with the Premier of this province. And that's where . . . As far as the Farm Land Security Board, they've needed better resources and teeth for a long period of time to be able to fulfill their function and have done, I know, their very best and played a very important role for many years with the resources that they have.

I'll kick it over to MLA Pratchler.

Joan Pratchler: — Thank you. Would you be able to tell me how many conflicts of interest have been self-declared since November 7th of 2024? Did all of those self-declarations include the nature of the conflict, and did all of the self-declarers leave and return to the meetings?

Amy Standish: — So I'll see if I can keep clear my stat reporting here. And so in one case with the staff, they came forward probably six meetings since that time, at every meeting disclosing the nature of the conflict, leaving and returning. And in two cases with board members, there was two instances since that time, again describing the nature of the conflict, leaving and returning thereafter.

Joan Pratchler: — Thank you. Can you explain, if we look at page 8, recommendation that asks about . . . Can you explain your definition of the board and the public's interests being met? What performance indicators are you employing? It's recommendation no. 9. It says, under planned actions, "This will continue to be a work in progress to ensure the board and the public's needs are being met." What exactly would those needs be, and how are you assessing them?

Amy Standish: — Okay. And so at the board meetings, there's regular new performance measures, statistics, that are kind of reported to the board. And so to give you an example, and some of these may be listed, but the status and the number of the investigations, the timeliness of the transaction review — and so that was something that we talked about a little bit earlier, where the board had asked for that 30 days there within the week, and so board staff would come forward and say, which date of the ISC transactions they're at in terms of their review — statutory declarations requested and received, and the board is having that regular monitoring of the stat dec side of things as well as the

exemptions.

And to give you a sense too in the annual report, there are some new charts in there. Similar to the stats that are happening with the board on a regular basis, the annual report will now provide the public a bit more of that summary so you can take a look annually and then start to compare year over year on some of those different statistics such as — there's one in here — the historical enforcement actions of the board. That goes through the number of orders to reduce the number of administrative penalties and the number that went into investigation, just to give the public a little bit more insight into what that looks like.

Joan Pratchler: — Thank you. And one last question from me is regarding recommendation no. 10. It recommends that the land security board enhance its public reporting. And then on the actions taken, I just want to know if you can give me an idea of what kind of information is being withheld from publicly reported statistics and who decided those should be withheld.

Amy Standish: — And so in this instance it's fairly specific and it was related to the specific details of any active investigations that are under way. So if there's a complaint that comes in and the board is investigating that, we don't want to publicly put out those details because if it does happen to go before the courts, that could be very problematic. So trying to maintain the integrity of those situations so that the courts may deal with it if it reaches that point.

The other point that I would just mention is, yes, we've done a lot of these updates. But we're also working and very soon updating the website, that a lot of these stats will actually be updated after board meetings as well. So there will be more information coming there, more public.

Joan Pratchler: — Thank you.

Chair Wotherspoon: — Thank you. A quick question here before I kick it back over to another question here. And I suspect this information might not be readily available, but I'm going to ask. So I would ask that if it's not, that an undertaking to be able to provide that back to us as a committee. Often 30 days is often a window that the entity will commit to.

But my question would be this: would you be able to provide us — and maybe you can provide this information here — over a span of time, let's say 15 years, the number of orders to divest land that have occurred?

And then along with that, a bit of a land description. It doesn't necessarily need to be a legal land description but a description of kind of general region and number of acres involved over the last 15 years, so orders to divest.

And then further to that, the number of orders to divest that weren't fulfilled in the end, so where there was an order but that land was retained by the entity where they didn't divest that land if that was the case.

And then just on the other side of that through that same period of time, let's say 15 years, the number of fines and the amount of those fines over that period of time for each of those fiscal years, along with again a bit of that land description, so something basic that speaks to the size of acres and region in the province.

Do you have information like that? I know that's asking for a fair amount that you may not have at your fingertips today. Maybe you do. If not, you know, I'll kick it to you. So either if you have that information here today, wonderful. If not, could you commit to provide that back to this committee within 30 days?

Amy Standish: — If you give me one moment I can likely quickly tally something here for you.

Chair Wotherspoon: — Okay. You came organized.

Amy Standish: — And it may be easier. There's some summaries at the top here, so I will read this out for you. So the Farm Land Security Board again has the authority under section 94 to issue those orders to reduce that to any non-resident who has a land holding in excess of the allowed under the legislation, so that's at 10 acres. Since 2016, 13 such orders to reduce were issued totalling 106,375 acres, and under section 93.1, the board has the authority to issue administrative penalties for up to 10,000 if an individual or company contravenes the farm ownership provisions of *The Saskatchewan Farm Security Act*."

Since 2016, the board has issued 15 administrative penalties totalling 88,500 . And again pointing into the annual report — this is my plug today for anybody to read the annual report — is that there is further those details. And they don't go back to the 2016 date, but it's giving you kind of that recent glimpse into what some of those statistics would be.

Chair Wotherspoon: — Thanks very much. And then on the 2016 number and the orders to reduce or divest, what was the number of acres again in those 13 orders?

Amy Standish: — So the total there was 106,375.

Chair Wotherspoon: — And were there any orders to reduce or divest that weren't fulfilled or acted upon?

Amy Standish: — None recorded.

Chair Wotherspoon: — Again I think it's, you know, really something we need to be looking at to make sure that someone can't skirt the laws, breach the laws, and then profit from it. So I think we need, you know, stronger measures. It's wrong that somebody can walk away with profits of such an activity.

With respect to the information on the fines, thanks for that as well. Do you have the number of acres involved for the fines you shared? What were the fines again? 88,500?

Amy Standish: — Yes, that total on the fines would be 88,500, and we don't have the acre breakdown. Again I think with the nature of some of the fines it's not necessarily an acre amount. Sometimes it could be, right, the submission of the stat dec and things like that.

[11:15]

Chair Wotherspoon: — Okay. Is it possible to look for that information? Would that be something that you'd have the ability to organize and provide back to the committee?

Kim McLean: — The administrative penalties are often . . . The most recent ones were for people failing to meet a condition of their exemption, and so it might not necessarily correctly tie back to it, is the problem of correlation might not be fair on that situation. There's certainly acres that would be impacted. We could go in and add those up, for sure, but it's maybe not the most accurate way to report it.

Chair Wotherspoon: — Okay. No, that's good. We'll follow up as well with the minister on these fronts. It's just that it's a question of having, you know, sufficient consequences. So the ability for someone to profit on something that's in essence illegal or to have insufficient penalties just is not a sufficient deterrent, you know, when you're talking about the ability to profit millions of dollars. And again this is all about making sure . . . We have a law in place. Let's enforce it. Let's make sure we have a fair, level playing field for Saskatchewan and Canadian producers that are vital to this province.

And it's just not right that if you've got, you know, an operation, a producer operation that's legal and looking to grow and doing their thing and playing by the rules, if they're competing against an entity that's acting illegally and with capital, whether it's the People's Republic of China or billionaire dollars, or investment dollars from far outside of Canada.

I don't have any further questions right now. I'll kick it over to Gordon.

Hugh Gordon: — Now that the board's tracking foreign-leased land, has it discovered any lessees who were in possession of land without any exemptions, and if so, what actions were taken to rectify the situation?

Amy Standish: — And so that review is under way at this time, and to date there hasn't been any situations where we have found those without the exemptions.

Hugh Gordon: — And I imagine that would only pertain to registered leases, not perhaps to the situation where a person has quietly or not-so-subtly subleased to someone without your knowledge.

My next question is with respect to an update, another recommendation that you implemented, no. 8, so formalizing your procedures for the escalation of enforcement actions. I just noted you said the board processes were further developed and documented. I'm just wondering if you could provide some more details as to what that formalization looks like, what your steps are, if you could explain that.

Amy Standish: — As it relates to the escalation and the procedures here, I will say . . . I'll answer this kind of twofold. I think the first part is a lot of the enforcement escalation procedures are actually outlined in the Act, and so it was the board staff kind of taking what's in the Act and formalizing the process of how they move through that with the board.

The second really critical part of this, that was spoken about a little bit earlier too, is the materials that are then taken to the board and the different statistics, the status of different items so that it can facilitate that conversation with the board. So take for example, we've requested this many statutory declarations; we've received this many; here's the outstanding. Then that allows to facilitate that conversation with the board to move through the tools that they have available to them in the Act at that time.

And so that was formalized compared to what it had been previously to make sure that nothing was kind of falling through . . . to make sure that the board was always having that regular conversation at every board meeting.

Hugh Gordon: — Yeah just, you know, my concern there might be that even though you've formalized, you know, bringing it to the board, what formal process is in place requiring the board then to action those? That's what I'm saying, and I guess you could rely on the Act to say, you know, here's what they can do, but we don't . . . And I'm not sure if you've detailed exactly the formalized process of what they should or what that process says they should now be doing.

Amy Standish: — And so what I will say there, yes, the Act kind of outlines it as I've mentioned. And so in terms of the actual processed documents though, the board staff would have gone through and updated to say, you know, specific to this contravention and the Act approaching it with the board, here's the tools available to them. And it at the end of the day would be at the discretion of the board whether they feel that there is a contravention in place or what other further next steps or investigations they may direct the board to do.

And so those processes updated to kind of walk through because it's not always that linear, direct. There may be other things that the board staff need to look into and things like that. So that's been documented in terms of the process.

Hugh Gordon: — Okay. Recommendation number 10, with respect to publicly reporting all of your key regulatory activities, I see you said you're going to include additional metrics for the general public. I was wondering if you could just describe what those metrics are.

What I would be curious to know, as I think the Chair has alluded to, it would be nice for the . . . And I know that you're keeping better track of and doing more statutory declarations and keeping track of lessees, etc. It would be nice to know going forward, perhaps in your annual report, perhaps you know, what percentage of farm land was exchanged between Canadian and non-Canadian residents, how many exemptions were given, what dollar value amounts those were, what acre amounts those were, etc.

Could you just maybe clarify what those metrics are going to look like for the public? And if none of the things I have mentioned are going to be included, I'm wondering if there is consideration that they might be.

Amy Standish: — So for the updates that'll be coming to the website, a good glimpse would be again looking to the annual report, some of the things that will be broken down after each meeting, the first being around the farm landownership statutory declaration statistics — again so what has been requested, what has been received, and some of those stats. When we get into the exemptions, there will be the exemptions that have gone forward, the acres requested, and the acres granted, with that level of

detail.

And then there's going to be — and I've spoken a little bit about this — the enforcement actions by the board, so providing that detail on any orders to reduce administrative penalties, and then getting into any potential investigations, again including kind of those status updates. Are they in process or have they been completed? And so those stats will be updated regularly after each board meeting.

Hugh Gordon: — One last follow-up. Will you also be including the amount of corporate-owned land in those numbers or transactions involving corporations?

Amy Standish: — And so that one would be up to the board's discretion of whether they'll look to publish that. I think the complication, just in going through it initially, would be when we think about corporations, are we thinking about the company side? But also we have producers who may be incorporated and considered corporations as well. And so just that would be complicated, but that would be up to the board's discretion of whether they look to put that on the website.

Hugh Gordon: — Thank you.

Chair Wotherspoon: — No, thanks so much. And yeah, certainly without a question you have many family operations that are incorporated that are incredible producers and, you know, fully compliant with the Act. So it's just a matter of you getting some of the information, I think, that's been discussed. But I just want to say thanks again.

At this time I would seek a motion to concur with recommendations 1 through 10 and note compliance. Moved by MLA Crassweller. All agreed? Okay, that's carried.

And I want to thank those that have come before us here today: ADM Standish, as well Ms. McLean with the Farm Land Security Board, all the officials that have joined us here today, all those that have been involved in this work as well. I want to thank those that have taken action to make some improvements in this area and some actions that have happened rather quickly after this report, so that worked together with the auditor as well, and our committee.

And with respect again to the Farm Land Security Board, I want to thank all those that have served on that board for many, many years — so past board members, current, and that team that's over there.

MLA Crassweller.

Brad Crassweller: — Sorry, Mr. Chair. I thought you were going to ask a few more questions if anybody had anything. So I just want to say as well, thank you. I want to say thank you very much for implementing all of those recommendations. Does my heart good when I look at that, and really just implement and implement and implement, and so fantastic job. So if you'd pass that on to the board, that'd be awesome.

And then just for the record, I'd also like to say we have an incredible Ag minister, so I'm happy that you guys get to work with him because he's a pretty awesome guy. So thank you.

Chair Wotherspoon: — So thank you for the time today. ADM Standish, do you have any final remarks for us here today before we turn our consideration to our next chapters?

Amy Standish: — Just thank you for letting us come. Thank you again to the auditor and her staff for the work of the audit, and kudos again to the board and the board staff, who I know have put a tremendous amount of work into this. So thank you.

Chair Wotherspoon: — Thank you. We'll take a brief recess as a committee, and up next we'll focus on the Saskatchewan Workers' Compensation Board.

[The committee recessed for a period of time.]

[11:30]

Saskatchewan Workers' Compensation Board

Chair Wotherspoon: — Okay, we'll continue with our considerations here this morning as the Standing Committee on Public Accounts. We're going to turn our attention to the Saskatchewan Workers' Compensation Board and the chapter of the auditor from the 2023 report volume 1, chapter 6. It has a few new recommendations there.

I want to thank the leadership of the Workers' Compensation Board for joining us here today and for all their work, along with their entire team. I'd invite CEO [chief executive officer] Germain to offer just an introduction of the officials that are with him here today. You can refrain from getting into the chapter right now, because we'll go to the auditor presentation there. Then we'll come back your way. So brief introduction.

Phillip Germain: — Thank you, Mr. Chair. Good morning, everyone. My name is Phillip Germain, CEO of the Saskatchewan Workers' Compensation Board. With me today is our CFO [chief financial officer] Dale Markewich and our chief legal officer Sophie Ferré.

Chair Wotherspoon: — Right on. Thanks so much to you all for joining us here and for your work. I'm going to turn it over to the Provincial Auditor to make presentation.

Tara Clemett: — So thank you, Mr. Chair, Deputy Chair, committee members, and officials. With me today and to my left is Mr. Jason Shaw, and he's the deputy provincial auditor that is responsible for the portfolio of work that does include the Workers' Compensation Board. Behind me and to the right is Mr. Dane Reimer, and he's a principal in our office that was directly involved in the audit that we are considering today. And then beside him, Ms. Kim Lowe, who is acting as our liaison with the committee today.

Jason's going to just present the chapter on the agenda and it does include basically four new recommendations for this committee's consideration. I do want to thank the CEO and his staff for the co-operation that was extended to us during our work. And with that I'll turn it over to Jason.

Jason Shaw: — Thank you. In 2022 Saskatchewan ranked highest in Canada with 4.4 workplace deaths per 100,000 full-time equivalent employees, considering all provinces except

Prince Edward Island and the three territories.

WCB [Workers' Compensation Board] works with Saskatchewan's seven safety associations to assess and develop safety programs to prevent injuries. WCB collects premiums from employers to fund the operations of safety associations. In 2022 WCB provided about $11 million to the safety associations to promote injury prevention and workplace safety. These safety associations serve 18 different industries.

Our 2023 report volume 1, chapter 6 starting on page 79, reports the results of our audit regarding Saskatchewan Workers' Compensation Board's processes to monitor safety associations' use of funding for injury prevention and workplace safety. We concluded for the 12-month period ended December 31st, 2022, the Saskatchewan Workers' Compensation Board had effective processes except in the four areas of our new recommendations to monitor safety associations' use of funding for injury prevention and workplace safety.

In our first recommendation on page 87 we recommended Saskatchewan Workers' Compensation Board formally document its review of key financial planning information provided by safety associations, including discussions with safety associations and resolution of any identified issues.

WCB staff reviewed the annual funding applications from each safety association each year; however we found staff did not document sufficient evidence of these reviews, including any follow-up questions, concerns, or requested changes. Without sufficient assessment of budget information received, WCB cannot demonstrate whether it determined safety associations' planned use of funding was sufficient. It cannot show whether it identified any issues and took appropriate actions to address them.

In our second recommendation, on page 89, we recommended Saskatchewan Workers' Compensation Board set detailed guidelines on eligible expenses for safety association funding. WCB set its expectations for what safety associations use funding for in its annual funding agreements. However the agreements and other available guidance do not include specific expectations for eligible costs, that is, costs that it considers reasonable for the purposes of providing programs and services to employers to help reduce injury rates. Nor does it set costs it considers ineligible, for example, using funding to purchase alcohol at events.

Also, WCB has not set expectations on what types of costs, if any, the safety associations should use WCB funding for when safety associations provide services to employers outside of the employers related to the industries of each safety association. Not having formalized expectations about eligible expenses increases the risk that safety associations may use funds for unnecessary purposes that do not contribute to reducing injury rates or do not add value to the safety programs and services specifically for the employers of their industries.

In our third recommendation, on page 95, we recommended Saskatchewan Workers' Compensation Board formally evaluate the key performance results reported by safety associations to determine whether performance meets planned expectations and resolve any identified issues. WCB staff are expected to evaluate whether the performance measures included in the safety association's annual report are the same as indicated in the funding application, data collection methods are appropriate, all expected information is included, and explanations for variances are reasonable. Staff are to flag any identified issues for escalation. Because we found staff do not document evidence of these reviews, we were unable to assess whether staff completed them or whether WCB was satisfied with the results of the safety associations reported.

We examined three safety associations' 2021 annual reports on performance outcomes. We found three safety associations had appropriate performance measures related to injury prevention, injury reduction in 2021. However we found issues with the performance reporting of all three. For example, one safety association only had met 5 out of 12 performance measures in 2021. The remaining four safety associations did not have appropriate performance measures relating to injury reduction in 2021, thus it was difficult to evaluate whether those safety associations' performance contributed to injury reduction.

Without documented evaluation, WCB cannot demonstrate whether it determined safety associations' results and use of funding were sufficient. In addition, it may not identify issues it considers to be non-compliant with its funding agreements and take actions to address issues.

In our fourth recommendation, on page 96, we recommended Saskatchewan Workers' Compensation Board periodically verify safety associations provide key information such as financial statements, budgets, and key performance measures to employer members. Through the funding agreements, the safety associations are required to keep their employer members updated with key financial, governance, and performance information.

WCB did not have a formal process — for example, periodic audits — to verify safety associations complied with these requirements and made these documents available to employer members, for example, on the safety association's website. We found three of the seven safety associations did not make all required documents available to members. Examples included annual reports and budgets, three-year strategic plans, and safety association bylaws.

Without effective processes to verify safety associations make key information available to employer members, there is a risk that certain employer members do not have sufficient information on how safety associations utilize their premiums to provide services. Additionally members may be unaware of services available to them which can help reduce injury rates.

And thank you. That concludes my presentation.

Chair Wotherspoon: — Thank you for the presentation, the focus of the work. And I think we've got four new recommendations of course we'll consider too. I'll turn it over to CEO Germain to provide some remarks and then we'll open it up for questions.

Phillip Germain: — Thank you, Mr. Chair, members of the committee, and thank you to the Provincial Auditor, Ms. Clemett, for the work that you do and your team have done and continue

to do.

When the Office of the Provincial Auditor initially released the report in 2023, the WCB accepted all of the OPA [Office of the Provincial Auditor] recommendations and we got to work addressing those gaps that were identified. The OPA report was a catalyst for us which became kind of transformational in terms of our relationship between the WCB and the Saskatchewan safety associations and their corresponding rate code members.

WCB started the transformation journey with the safety associations by reviewing and updating the safety associations' financial reporting, the policies related to that, contractual compliance requirements, their annual reporting process to us. We also negotiated new terms and conditions within the funding agreement to support the reporting and process improvements and those expectations.

WCB and the safety associations then worked together and developed updated guidelines which set criteria for funding and eligible expenses. WCB also has access to and evidence of key financial information, governance, and performance information. All of these elements were integrated within the safety associations' funding agreements and compliance is monitored on an ongoing basis.

The safety associations' performance is assessed based on standards outlined in these guidelines and is verified and documented through program evaluations. Additionally governance training has been delivered by a third party to the safety association board of directors and their administration.

Finally, the WCB's internal audit department has recently formally provided notice to the safety associations that they, along with a third-party audit firm, will be conducting compliance audits in 2026.

So with those opening remarks, I would be happy to address any questions from the committee.

Chair Wotherspoon: — Thanks so much, CEO Germain. And thanks as well to those that have taken the actions that are reflected in the status update and those that put together the status update. At this time I'll table that. That's PAC 57-30, Saskatchewan Workers' Compensation Board: Status update, dated October 16th, 2025.

Looking to committee members that may have questions. MLA Gordon.

Hugh Gordon: — Thank you for coming today. Just wondering if you could tell me, what sort of criteria are used in the review template, and who developed these criteria, and have you solicited feedback from staff and clients on their effectiveness?

Phillip Germain: — So the criteria, so there's different levels of evaluation that we use. There's an annual review around funding. Every August we formally meet with the safety associations. They submit a funding request. That funding request is reviewed, along with all the criteria related that we talked about and that was suggested within the report.

So all of that information is gone through in detail and documented every August. There is a template that's actually used and documented. I don't have it with me but we can provide it. Following those meetings, there's additional follow-up meetings to make sure there's understanding and alignment in terms of finalizing the related budget requests or funding requests, and the expectations associated with those funding requests.

So that's an annual basis, and then there's quarterly reporting that happens to us that's reviewed. The safety association provides us quarterly reporting, and we review that quarterly reporting against the expectations that were laid out during the August funding meetings.

In addition to that, as indicated here, we have our internal auditor along with an independent auditor that will go in and review compliance against the funding agreement, the expectations. Because sometimes even if you get an audited financial statement, it doesn't necessarily tell you that that money was spent for the intended purposes. So that third-party verification is another layer to make sure that the reporting that we're getting is in fact accurate.

Hugh Gordon: — With respect to recommendation no. 2, the guidelines for eligible expenses, I know you say you've developed detailed appropriate guidelines and expectations. I'm just wondering if it's gotten very specific as to what kind of line items actually would qualify as an eligible expense and/or if you have identified what may qualify as an ineligible expense and made that clear with the associations.

Phillip Germain: — That's a good question. So the guidelines that were developed — it's a 50-page document — that were created with the safety associations in mind . . . Obviously when you talk about changing the expectations, they want to be part of the conversation and rightfully so.

So we brought them in and we also had it facilitated. The establishment of those guidelines were facilitated by a third party. Meyers Norris Penny came in and facilitated all of the discussions and expectations. We have a governance expert that was brought in as part of all of those conversations to understand from a non-profit perspective — WCB essentially being a non-profit insurance company, and the non-profits themselves that were meeting kind of all the expectations — that the money is in fact going to be used for intended purposes.

[11:45]

Within the guidelines themselves, I mean I can go through the details of them, but they do lay out expectations of kind of where funding can and cannot be spent. I'm just trying to find the exceptions. There's a mediation process as well built into this, in terms of if there's a misalignment or a misunderstanding, we can do mediation to try and resolve it. Because these guidelines are brand new, and we don't necessarily expect that we've probably got it 100 per cent right the first time, so it might take a few rounds to kind of nail this down.

Different categories of use of funds include training and education, marketing and communications, research and development, consulting services, advocacy, administrative expenses, salaries and benefits, technology and infrastructure,

travel including mileage, professional development, having industry meetings, gifts, and then . . . So those are the categories that were listed in terms of the expectations of what could be spent and what that looks like. But I can always share the more detailed documentation if that's needed.

Hugh Gordon: — No, I think that suffices. It sounds like you've got a robust oversight in this regard and that it seems that you've left the door open to mediate items that might become questionable. And you seem to have a grasp about how to detect those in those instances. So thank you for that answer. Right, it's a start.

Phillip Germain: — Yeah, thanks.

Chair Wotherspoon: — Any further questions? MLA Pratchler.

Joan Pratchler: — It sounds like you had a fair amount of consultation with your groups before you came up with the guidelines as well in that session that you just outlined.

Just wondering. Mediation, education, those are some of the things you mentioned in order to support the new way of doing things. Is there anything else you have in place that you might want to talk about to ensure compliance with the new guidelines?

Phillip Germain: — There's probably one other piece, over and above, kind of the third party through our internal auditor, and a third party going in and just assuring that the documentation that we've got is in fact backed up by evidence.

In addition to that, we actually meet with the safety associations on a quarterly basis as a group, and we talk about all of these things in terms of funding agreement expectations, performance, challenges. So we have a regular cadence meeting with them establishing the relationship, but then also maintaining kind of the expectations.

Joan Pratchler: — Thank you.

Chair Wotherspoon: — Further questions? MLA Gordon.

Hugh Gordon: — I'm wondering if you could share how the full implementation of performance measures by all safety associations . . . if you've been able to tell if it's led to reduction in workplace injuries, for example.

Phillip Germain: — You know, it's probably early to tell. Some of these things, you know, as influencers, us as WCB aren't directly in the workplaces that we're trying to influence. The safety associations themselves aren't directly . . . Well some of them are in the workplaces, but they don't have their hand on the wheel.

So you know, as matters of influence through education, consulting, support, sometimes that takes a bit of time. But I will tell you that when we started kind of these conversations at our level back in 2015-2016, there was a plateauing of injury rates in the province. And that's where we started to renegotiate the funding agreement and start having expectations.

The report from the OPA was further assistance in us trying to establish the right expectations for everyone. And whether this is a direct correction or not, we are starting to see the injury rates improve over the last couple of years.

Hugh Gordon: — Thank you for that.

Joan Pratchler: — Is there an audit firm for those seven safety associations?

Phillip Germain: — Yes, each safety association has an independent audit firm. It's different. Each association and their board of directors — well really their board — decides which independent audit firm. But there's been a variety from Meyers Norris Penny to KPMG to Deloitte to Virtus. It depends.

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — Just was wondering if WCB invoices for safety association employers now show how much of the premiums they paid actually go towards the safety association?

Phillip Germain: — Yeah, in particular, personally I really like that recommendation. And this is something that we're working towards through our system so that when an employer sees their invoice from us, they see what portion of the invoice is going to their safety association.

We are in the process of implementing a new system for WCB. So we didn't want to wire it through the old system, so it'll be coming through the new system which we expect to go live late 2025, early 2026. So that's something we expect to do through the new system.

Hugh Gordon: — Just was wondering, what steps has WCB taken to ensure that it sufficiently analyzed performance measure outcomes for your safety associations?

Phillip Germain: — Yeah, so it starts with the expectations laid out in that August meeting. So those that we're having more concrete conversations over and above, you know, what's the total outcome, you know, lower injury rates for the rate codes, but more specifically, how do you expect to achieve that? You know, is it falls from heights in construction? Like where are you targeting? And we monitor those and have conversations.

It's never a direct line. Sometimes it takes a while for strategies to get implemented and have its impact, but we get what I would say is pretty granular in terms of how are you going to reach that overall target of lower injury rates within your industry.

Hugh Gordon: — Thank you.

Chair Wotherspoon: — Any further questions, committee members? Not seeing any, I'd welcome a motion to concur and note compliance with recommendations 1, 2, 3, and 4. Moved by MLA Chan. All agreed?

Some Hon. Members: — Agreed.

Chair Wotherspoon: — Okay, that's carried. Thank you very much for your time here today. CEO Germain, do you have any final remarks before we kick you out of here for lunch?

Phillip Germain: — Well I appreciate that, but no. I want to

sincerely thank the committee for all the work that they do and in particular the Provincial Auditor. All of the reports that we get are always helpful. They get us thinking differently, and we genuinely appreciate all of that. So thank you very much.

Chair Wotherspoon: — Okay, right on. Thanks so much. This committee will recess until 1 p.m. where we'll have the consideration of the Public Accounts volume 1.

[The committee recessed from 11:52 until 13:01.]

Public Accounts 2023-24 Volume 1
Public Accounts 2024-25 Volume 1

Chair Wotherspoon: — Okay, folks, we'll reconvene the Standing Committee on Public Accounts this afternoon, and we'll turn our attention to the Public Accounts volume 1 for the past two years. The committee's mandate is to review and report on observations, opinions, and recommendations on both the Provincial Auditor's reports and on the province's public accounts. And the review of the public accounts completes the accountability cycle of parliamentary control over raising and spending of public dollars.

This committee had reviewed the public accounts in the format we're going to go through here for the first time just over a year and a half ago. It's our intention to make this an annual practice. This last year the election cycle intervened, so we'll actually have two sets of Public Accounts volume 1 before us here today, two fiscal years.

And as a reminder, the Public Accounts procedure manual provides a general outline for how the committee should structure its reviews. They're focused on past expenses related to the year in review or matters that impact those expenses; how revenues are collected and accounted for; the integrity, appropriateness, and value for money of taxes; the safeguards in place to protect assets from loss, waste, and misappropriation; whether appropriate financial management controls exist; the value for money the government receives when a Crown corporation or agency is divested; the systems and practices used to determine whether transfer payments are used for their intended purposes; how efficiently, effectively, and economically government programs are implemented and whether they've achieved their stated goals; whether expenditures are within the limits and purposes authorized by the Assembly; and any financial management reforms in government ensuring legislative accountability.

So like I say, we're going to consider the last two fiscal years of the volume 1 Public Accounts. And the way we'll do this here today, we'll get a presentation first off from Finance, likely from our comptroller and from our deputy minister. And then we'll turn it over to the auditor to do the same, whatever they care to present. Then we'll open it up to the members for questions.

So thanks to everybody that's joined us here today, all the officials that are in the room here today and all those that are connected to the important work here today as well.

At this time I'd ask Deputy Minister Hendricks to introduce himself, who's also joined by our Provincial Comptroller Hebert at the table there. But if they can introduce the officials that are with them here today, and then whatever sort of opening statement or presentation you care to make on the volume 1s for the years '23-24 and '24-25 respectively.

Max Hendricks: — Okay. Thank you, Mr. Chair. On behalf of the Ministry of Finance, thank you for the opportunity to discuss the '23-24 and '24-25 Public Accounts volume 1, which includes the government's summary financial statements and related financial statements discussion and analysis.

As you mentioned, there are several ministry officials. Joining me at the front table is Brent Hebert, Provincial Comptroller, and behind me to my right is Cullen Stewart, who is the assistant deputy minister of the fiscal policy division. Directly behind me is Jeff MacDonald, who's the assistant deputy minister of the treasury board secretariat. And then to my left behind me is Rod Balkwill, assistant deputy minister of the provincial treasury office.

Our ministry is committed to preparing timely, high-quality financial statements on behalf of the government. Timely, high-quality financial statements are the cornerstone of good accountability and transparency. I'm pleased to report that the '23-24 and '24-25 summary financial statements were released in June of 2024 and 2025 and that the summary financial statements received a clean audit opinion from the Provincial Auditor.

I also would like to thank the Provincial Auditor's office and the relationship that we have with them, an excellent working relationship, and we really value that as a ministry. So now I'm going to turn it over to Brent, the Provincial Comptroller, to provide you with an overview of the contents of volume 1 and the results of the '23-24 and '24-25 fiscal years.

Brent Hebert: — Thank you, Max. And good afternoon, Mr. Chair, Vice-Chair, members, and members from provincial audit. My plan is to provide you with a brief overview of the contents of volume 1 of the Public Accounts and then give you a short review of the financial results for both fiscal years.

Volume 1 is divided into two main sections. There's a financial statement discussion and analysis section and the summary financial statement section. Together they provide good accountability and transparency to the public regarding the government's financial performance and fiscal health. The financial statement section begins on page 41 of both '23-24 and '24-25 volume 1s. They start with an acknowledgement that government is responsible for preparing the statements and that they are prepared in accordance with public sector accounting principles and standards. They are approved by treasury board, tabled in the Legislative Assembly, and then referred to your committee for review.

Next is the auditor's opinion on page 43, and I'll leave that for the auditor to present on in a few minutes. I'll note that the audit opinion, as Max noted earlier, is a clean audit opinion, and the summary financial statements have always had a clean audit opinion.

Financial statements are next, beginning on page 47 of the document. A couple of statements I would like to highlight are the statement of financial position, or balance sheet, and the

statement of operations, or what would be referred to as an income statement, on page 48. There are some other statements that are provided, then detailed notes to the statements starting on page 52, and they are followed by detailed schedules to the statements.

Schedule 19 is an interesting one on page 87. It describes the government's reporting entity and lists out all of the organizations whose financial results are consolidated into these summary financial statements. There's close to 200 organizations on that list across government. It associates each of those entities with a theme that's used for preparing the expense section of the income statement that I mentioned earlier. So using agriculture as an example and referring to that section of schedule 19, there are seven entities whose financial results roll up into the agriculture expense theme, including the Ministry of Agriculture and Saskatchewan Crop Insurance Corporation.

Another schedule I'd like to highlight is schedule 14 on page 82. It provides a good breakdown of the revenue sources that make up the five revenue categories in the statement of operations or income statement on page 48. It's often one that we get questions on when people are looking for additional information that makes up our revenue categories.

Now I'll talk about the financial statement discussion and analysis section at the front of the book, beginning on page 7. This is our version of the management discussion and analysis, or MD&A, that gets used in the private sector. It's intended to help people understand and interpret the financial results. And it leads off with a highlights section that summarizes results and reviews some of the key indicators of financial performance.

Following that there's a section that deals with the assessment of the fiscal health of the government, beginning on page 12. It assesses fiscal health by considering the sustainability of the government's spending and borrowing decisions, its flexibility to respond to challenges and opportunities, and its vulnerability to financial risks.

And following that, beginning on page 17, there's a section that provides details and specific breakdowns about revenue, expenses, financial assets, and liabilities. The details section provides some really good explanation for variances from prior year and variances to budget.

And lastly, on page 38 for volume 1 '23-24, page 37 for '24-25, there's a section there about risks and uncertainties that the government might be exposed to that are beyond its control.

So now I'll review some financial highlights for '23-24, and then I'll move into '24-25. So financial highlights for '23-24 . . . And I'm working from page 8 of the document, "Highlights: At a Glance." So revenue was $20.9 billion, an increase of 1.3 billion compared to budget and an increase of 398 million compared to previous year. The revenue increase was primarily due to higher-than-budgeted income taxes, PST [provincial sales tax], and other own-source revenue, partially offset by lower-than-budgeted revenue from non-renewable resources.

Expenses were 20.8 billion, an increase of 2.1 billion compared to budget and an increase of 1.7 billion compared to the previous year. The expense increase was primarily due to increased crop insurance indemnity claims due to droughts in the province, increase in pension costs associated with the teachers' superannuation plan, and increased demand for health care services and related compensation increases.

That left us with an operating surplus of 182 million, $835 million less than what was budgeted and $1.3 billion less than the previous year.

Moving to the next line, net debt ended the year at 14.3 billion, an increase of 588 million over budget and a decrease of 251 million from the previous year. Just as a reminder, net debt is the difference between the government's financial assets — so cash, receivables, etc. — less all of their liabilities that gives the government's net debt position. It represents how much money you need in the future to pay for past transactions in advance.

For the most part, the government's net debt is represented by an investment in capital and infrastructure like schools, roads, and hospitals. A small portion is related to operating results. And if you're interested in that breakdown, there's a breakdown on page 10 under debt highlights, between operating and capital infrastructure. Lastly, the accumulated deficit ended the year at $1.1 billion, $575 million higher than budget and $480 million lower than the previous year.

In terms of '24-25 . . . So I'll move to '24-25 volume 1 now. Again working from page 8 in the schedule there, "Highlights: At a Glance," revenue was $20.8 billion, an increase of 994 million compared to budget and a decrease of 137 million compared to the previous year.

The revenue increase was primarily due to higher-than-budgeted own-source revenue due to tobacco litigation proceeds of $400 million and higher-than-expected increases to corporate and personal income taxes. These were offset by decreases in non-renewable resource revenue, PST, fuel tax, and tobacco tax.

Year over year, the decrease in revenue was due to a decline in taxation revenue and net income from government business enterprises due to strong corporate income tax assessments in the prior year and lower current-year results in the utility sector in '24-25.

Expenses were 21.1 billion, an increase of 970 million compared to budget and an increase of 294 million compared to the previous year. Compared to budget, expense was higher than budget primarily due to increased demand for health care services, accrual liability for the removal of the fuel charge on residential home heating, higher-than-expected costs for corrections facilities and wildfire activities, and ratification of the SGEU [Saskatchewan Government and General Employees' Union] collective bargaining agreement.

Year-over-year expense increased due to increased demand for health care services, negotiated salary increases in the education sector, increased spending related to the child care agreement, and increased spending on disability services. These increases were partially offset by lower crop insurance indemnities due to improved crop conditions from the previous year. That left us with an operating deficit of 249 million, 24 million less than what was budgeted and 431 million higher than previous year.

Net debt ended the year at 15.6 billion, an increase of 102 million over budget and an increase of 1.2 billion from the previous year. Similar to ’23-24, the government’s net debt is represented by an investment in capital infrastructure like schools, roads, and hospitals — similar to ’23-24. Lastly, the accumulated deficit ended the year at 1.5 billion, 140 million higher than budget and $413 million higher than the previous year.

To conclude my comments, I just want to acknowledge our team in the Provincial Comptroller’s office, who put a ton of work into preparing these statements each year. I’ve only been in this job for a couple months, and already I’m seeing how much work goes into these statements each year, definitely.

I want to thank the staff in the ministries and the Crowns that helped us prepare these statements, and to each one of those 200 organizations that make up the reporting entity.

Similar to Max’s comments I want to acknowledge the strong collaborational relationship we have with the Provincial Auditor’s office. I want to thank this committee today for reviewing these statements and asking questions. And I’ll turn it back over to you, Mr. Chair.

Chair Wotherspoon: — Well thank you very much to our comptroller and Deputy Minister Hendricks and the entire team here. Thank you for the presentation. Look forward, I know, to getting some questions from committee members.

Just on the point though of the actual publication of the public accounts, I know that Saskatchewan is like a leader right across Canada in the timeliness of getting those public accounts finalized and then published. And I know it’s a massive undertaking, and I want to commend everyone that’s involved in that work certainly through the Ministry of Finance and to the auditor and her team as well.

[13:15]

And with that I’m going to turn it over to our Provincial Auditor. Certainly she can introduce any officials with her and provide a statement on public accounts as well.

Tara Clemett: — Thank you, Mr. Chair, Deputy Chair, committee members, and officials. With me today is Mr. Trevor St. John, and he’s the deputy provincial auditor that is responsible for leading the audit of public accounts.

So our office is required to audit the Government of Saskatchewan and its use of public funds, and this does get reflected in the government’s summary financial statements. Through our audit opinions the Office of the Provincial Auditor provides the members of the Legislative Assembly and the public with independent assurance that public money is spent as presented and sufficient information and disclosures are provided to inform users and the readers of the provincial government’s actual financial results.

Our office follows generally accepted auditing standards when we perform our audit and we form the opinion on the government’s financial statements. The audit process involves collecting and evaluating audit evidence. Auditors gain an understanding of key financial controls supporting the preparations of the financial statements, and we also look at the tests of the controls, that they are working as intended. For example we assess the coordination of and the timely receipt of reliable financial information for the purpose of the consolidation into the summary financial statements.

Auditors also test a sample of transactions, so through this process we can provide a high level of assurance to users about whether the financial statements are fairly presented and free of material misstatements.

The provincial government does follow Canadian public sector accounting standards when they prepare the government financial statements. Our audit assesses whether those financial statements are presented in accordance with those standards. It is important for the government to follow those standards to support credibility, quality, and comparability of the government’s financial information.

For the year ended March 31st, 2024 and ’25, we issued unmodified or clean audit opinions. This means the financial statements did comply with public sector accounting standards and there are no material misstatements in the numbers or the notes presented in the financial statements, which means any material or significant errors that were found were corrected.

I would like to highlight that our opinions were dated June 2024 and June 24th, 2025, which is one of the earliest out of all of the provinces in Canada. And thanks to a very great amount of hard work by the Provincial Comptroller’s office and a number of staff at my office as well.

Although our opinion was unmodified for March 31st, 2024, we did also include an other-matter paragraph in our audit opinion. An other-matter paragraph is included when the auditor considers it necessary to communicate a matter in the auditor’s judgment that is relevant to the user’s understanding of the audit or the auditor’s report.

The other-matter paragraph noted that the provincial government did not comply with the federal *Greenhouse Gas Pollution Pricing Act* and pay all fuel charges to the federal government as required from January to March 2024. This non-compliance did not have a material impact on the financial statements for the year ended March 31st, 2024, but we noted that future period financial statements may become materially misstated from continued non-compliance with the Act.

Our audit opinion is also a place where we do report the key audit risk areas that required significant amount of audit effort. The more risky these areas are, the more we obviously focus our work. We include these as key audit matters in our audit opinion.

For the years ended March 31st, 2024 and ’25, the key audit matters in our opinions touched on three significant management estimate areas: pension liabilities, income tax revenue, and non-renewable resource revenue. Pension liabilities were $5.9 billion in ’24-25; ’23-24, 6.1 billion. Income tax revenue was $4.8 billion in ’24-25, 5.8 billion in ’23-24. And non-renewable resource revenue amounted to $2.6 billion in ’24-25 and 2.4 in ’23-24. These accounting estimates are subject to measurement uncertainty, and as a result they are subject to management’s judgments, their assumptions, and the information that is

available at the time of the estimate. So actual results may differ from estimates.

We do work to assess management's processes to make reliable estimates, like testing the accuracy of the underlying data that was used to formulate the estimate, confirming the accuracy of the estimate calculations and the reasonableness of the assumption used. And in certain cases we may use experts to help assess the reasonability. So for example when it comes to pension liabilities, there are actuaries that do reports that help to support that estimate. Overall we did find that these key accounting estimates were reasonable.

The government's financial statements alone are not sufficient to communicate the complete picture of the province's financial health and annual results. The government's annual report, so Public Accounts volume 1, provides explanations for significant variances from budgets and prior years' financial results. It does also provide data on key performance indicators that focus on the province's financial health. This information is found in the financial discussion and analysis section, which does precede the audited financial statements.

I encourage everyone to look at that report and read the FSD&A [financial statement discussion and analysis] along with the audited financial statements. The annual report allows the public and this committee to determine whether public money was spent as the legislature intended.

Demonstrating public accountability is a key responsibility of public sector entities. Reporting accurate financial results in the public accounts and our associated audit opinions show that this plays a major role in fulfilling the government's duty to be publicly accountable and transparent. It is a key part of the government's accountability cycle, reporting the government's plans or budgets, then closing the loop by accurately reporting what actually happened.

Another key step is obviously having this committee review those results compared to budget, along with the auditor's report, to hold the government accountable for the management of public resources.

That concludes my presentation.

Chair Wotherspoon: — Thank you very much, Auditor, for the work on this front and the presentation as well. And thanks for the opportunity, to all of you, for entertaining questions from Public Accounts members today.

At this time I'll open it up to members that may have questions. MLA Gordon.

Hugh Gordon: — Just so I understand maybe on a point of order, Mr. Chair, we're going to do a review in sequential order for '23-24 and then go on to '24-25? Because that's how I intend to align my questions.

Chair Wotherspoon: — That would be just fine for you to operate that way, but no, we have both volumes before us right now. So just be clear if you're referencing a question that pertains to, you know, whatever respective fiscal year, whatever report you're focused on. We thought it could be more fluid. And one report builds upon the other. So if you get into a line of questioning on, say the '23-24 report, it may have limited the ability to pursue some questioning. So we're going to have both reports on the table, ask questions on both reports. And at the point that we're done with questions here, we'll conclude consideration or look for a motion to conclude consideration on both reports.

Hugh Gordon: — Thank you, Chair. I'll start with a question then. Thank you, gentlemen, for attending and for all your hard work. I can sympathize somewhat. I was a financial crime investigator in the RCMP [Royal Canadian Mounted Police] for a lot of years, and I know what it's like to get buried in mounds and mounds of documents and financial statements and try to sort it all out. But I guess that's why you're the pros.

I just want to ask a clarifying question with respect to the '23-24 report. On page 8 when we're looking at some of the numbers here, I notice that we've got net debt actually decreasing by 251 million from '23-24, but there was a surplus of 1.581 billion in actual '23. Is there an explanation as to why we only saw a reduction in the net debt by only 251 million?

Max Hendricks: — Okay. So summary financial statement net debt decreased by 251 million, as you mentioned, mainly due to the operating surplus and remeasurement gain reported during the current year, '23-24.

This decrease in net debt was partially offset by a net acquisition of capital assets tied to the Government of Saskatchewan's continued investment in infrastructure. During '23-24 new accounting standards were also adopted resulting in opening adjustments impacting net debt. Net debt indicates the amount of future revenues that will be required to pay for past transactions and events.

Hugh Gordon: — Fair enough. Would it also include like special warrants that were signed, you know, after budget to allocate for other expenses — health care, education, and the like? Is that included in that or . . . [inaudible interjection] . . . just refer you. It's mainly capital asset acquisition and accounting standards that were changed?

Max Hendricks: — It's capital. There was no debt acquired to operating. There is some standing on the books, but we didn't take on any additional debt.

Hugh Gordon: — I was also wondering — it might help the committee understand just generally speaking — if you could speak to what the factors were that contributed to the accumulated deficit going down year over year in '23-24 and/or going up for '24-25, right.

Max Hendricks: — During that fiscal year, non-renewable resource revenue, in particular potash, yielded quite high and so we were able to use that money to write down some of our debt and improve our accumulated surplus position.

Hugh Gordon: — And for the following year, I guess the decrease in the accumulated deficit . . .

Max Hendricks: — Non-renewable resources weren't as good the next year.

[13:30]

Hugh Gordon: — So we're on a bit of a roller coaster, is that right? Okay, fair enough. I was just wondering if you could explain also, to give the committee a good understanding, of what comprises our non-financial assets when we're talking about them? I don't expect you to go into line item by line item, but just generally speaking, if you could assist the committee?

Max Hendricks: — So if you look at schedule 12 in Public Accounts, tangible capital assets would be the primary explanation of that. They're non-cash things. So that would be roads, bridges, land, buildings, improvements that we're amortizing.

Hugh Gordon: — Thank you.

Joan Pratchler: — And maybe you've already addressed this, but I have a question about the non-renewable resource revenue. If we look at, I'm just comparing both of those years, yeah, '23-24 and then this year as well. Is it potash, is the reason that it's a billion dollars off there?

Max Hendricks: — Potash was high, both in terms of price but also in terms of corporate revenue that year. And so it benefited us on both lines and so we had a particularly good year in '23-24 with potash.

Joan Pratchler: — Okay, and then obviously . . . [inaudible interjection] . . . Yeah okay. Great, thank you.

Can you help me understand in '23-24, and I suppose that would be this year as well, what is the "resource surcharge" and "other" non-renewable resources comprised of? That resource surcharge. I'm unclear.

Cullen Stewart: — Cullen Stewart, assistant deputy minister, fiscal policy division. The resource surcharge is a section of *The Corporate Capital Tax Act* specific to upstream production of oil, uranium, potash, and coal. And so the rate varies depending on the resource, but it's essentially a percentage of the value of sales. So the composition of resource surcharge revenue is primarily from the oil and gas sector and potash sector, but there is also some revenue in there from coal and uranium as well.

Joan Pratchler: — Is that another word for royalties?

Cullen Stewart: — It's in our non-renewable resource revenue. It's separate from Crown royalties or production taxes, so it's listed as a separate line item. It's under *The Corporate Capital Tax Act*.

Joan Pratchler: — Thank you. If I look at page 23 in the '23-24, could you help me understand the restructuring of the distribution of gaming funds, and how has that affected the decrease year over year?

Max Hendricks: — In that fiscal year there was a change in the way that SLGA [Saskatchewan Liquor and Gaming Authority] was managed. And so CIC [Crown Investments Corporation of Saskatchewan] reorganized it and the money now — instead of coming directly to us — goes CIC to government to the GRF [General Revenue Fund]. So there was a restructuring of gaming revenue governance.

Joan Pratchler: — So the amount hasn't changed? It's just the path it takes to get from point A to point B?

Max Hendricks: — Yeah. We had a few upstart challenges, but now it should be on track.

Joan Pratchler: — And why was that done in the first place?

Brent Hebert: — So government looked at . . . The restructuring focused the regulation of liquor and gaming with SLGA, but the operation of gaming operations and other, you know, gaming business into LGS, Lotteries and Gaming Saskatchewan.

So they created SLGA as the regulator and then brought together the business of gaming into LGS.

Joan Pratchler: — Like under one entity?

Brent Hebert: — Yeah. Correct.

Joan Pratchler: — Okay, thank you.

Brent Hebert: — That was the goal.

Joan Pratchler: — Okay.

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — Just was wondering if you could help me understand, explain the reasons for the utility rate increases on page 23 of the '23-24 report.

Max Hendricks: — There are a few different factors. One would be obviously if some of your largest users of electricity are busier — so potash, natural gas, that sort of thing — they buy more power.

Also SaskPower was able to get — and SaskEnergy — favourable prices when they were buying some of the materials that they use to produce electricity. So that year saw an increase in utility revenues.

Hugh Gordon: — As a follow-up then, was any of that due to like rate increases?

Max Hendricks: — We can confirm that, but I don't believe there was a rate increase in that year.

Hugh Gordon: — Yeah, I would think if it did, it had to go through the rate review panel and those would have had to have been publicly, you know . . . I was just curious if that was the case. My memory isn't that great. Go ahead, Joan.

Chair Wotherspoon: — MLA Pratchler.

Joan Pratchler: — Thank you. If we take a peek at page 25 of the '23-24, there's a section on fees. Fee increases were up year over year and over the budgeted amount. Could you help me understand the impact of the fee increases in health care and what those fees are comprised of? Was it higher service volumes, out-of-province services, EMS [emergency medical services]? Why

would they have gone up?

Max Hendricks: — Well there were two or three factors. Obviously when you have higher utilization, one of the primary sources of revenue for the SHA [Saskatchewan Health Authority] is long-term care fees. Also in certain years other provinces will adjust their out-of-province reciprocal rates, and that will drive up costs that we have to pay under reciprocal agreements. And then EMS as well. So EMS increases from time to time the cost of providing that service, and also with an aging population you have an increased usage of that.

Joan Pratchler: — And I'm wondering a little bit about contracted positions in health care. Was there an increase in cost in contracted positions like travel nurses, other kinds of contracted positions that might have added to that increased cost in health care?

Max Hendricks: — Well they did have increased labour costs. I'd have to direct that one to the Ministry of Health. I'm just not current enough to answer it.

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — Still with respect to the '23-24 Public Accounts, other than the indication from the numbers, are you able to provide any insight as to why more people were utilizing SIS [Saskatchewan income support] and SAID [Saskatchewan assured income for disability] programs that year? Does the department have any details it can share?

Max Hendricks: — Yeah, that increase is related to the federal wind-down of their programs that they had implemented during COVID, and they came back onto provincial rolls.

Hugh Gordon: — Thank you for that. Can you explain why the amounts for wildfires significantly exceeded what was anticipated that year?

Max Hendricks: — So with wildfires, not unlike agriculture in terms of how we estimate crop insurance, we look at the average over a period of years. And it's a moving average, so in that particular year we make an estimate about what that will be, and it was . . . You know, sometimes it's higher; sometimes it's lower, right? But one thing about using a moving average is that, you know, we've seen obviously some increases in wildfire activity over the last few years, as well as — although this year is really good for crops — some volatility there. And so as we see that, that gets kind of built into the number going forward.

Hugh Gordon: — It's good to have that kind of insight because, you know, by all expectations we're assuming that — and obviously this year might be a bit of an outlier — but that if it helps move the mean higher over time, in other words the trend is being identified, then it's something you could try to keep ahead of. Correct?

Max Hendricks: — Yeah, you know, we've made some significant investments in SPSA [Saskatchewan Public Safety Agency]. We've purchased, as you know, new equipment and that sort of thing to support their wildfire fighting efforts. And then this year I think we had an $80 million special warrant to support the fire activities this summer, but we're still tallying up those costs because it's still active in some places.

Hugh Gordon: — Maybe while we're on the topic, if you can, for '24-25, maybe even prognosticating here to the end of this fiscal year, do you have a rough estimate of how much the wildfires have cost the province this year? Or is that something that's still ongoing? The assessment.

Max Hendricks: — It's still ongoing. We built in $80 million kind of based on what the trajectory was at Q1 [first quarter], and at Q2 we'll have an updated estimate. As I said, they're between some of the evacuations and displacements and such, and we're kind of catching up on where they are, all the accounting on that. So we'll have a final number in our Q2, where we'll introduce that as a sups estimate.

Hugh Gordon: — Thank you.

Chair Wotherspoon: — MLA Pratchler.

Joan Pratchler: — What insights might you be able to provide regarding the higher inmate counts in our correctional facilities for '23-24?

Max Hendricks: — I guess there are a few different ways and, to be honest, you'll have to speak to the ministry. But obviously one of the things, we've had to expand capacity. We've opened up the Saskatoon remand centre because as more officers have been added to the RCMP and municipal forces through the province, obviously they're catching more bad guys and so that has an impact. But when they are incarcerating these individuals, when we're kind of using existing space, there's more overtime, and so they've had to address that. But now with the opening of the Saskatoon remand centre, that's taking some pressure off. But yeah, it's been busy.

Joan Pratchler: — Thank you.

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — I was also wondering what details or insights you could provide with respect to the higher-than-budget environmental liabilities for cleanup costs at uranium and base metal mine sites in '23 and '24. I'm just curious how it was that the province was left with those liabilities and how that arose.

[13:45]

Max Hendricks: — So Gunnar and Lorado, as you're aware, were first established during the nuclear arms race by the federal government in support of US [United States] efforts. In 2006 we signed an agreement with the federal government based on what we saw and knew at the time.

Once we got in there, we found a number of satellite mines that needed to be cleaned up, where they had gone and done exploration off the main site. So this is obviously the subject of ongoing discussions and litigation that we're having with the federal government regarding who owns the responsibility for this cleanup.

Right now we have SRC [Saskatchewan Research Council] doing the cleanup. And you know, it's a very, very remote

location and during the pandemic there were shutdowns and that sort of thing. But it's something that we continue to feel that the province has been left with a significant burden.

Hugh Gordon: — Fair enough. And you're pursuing your options?

Max Hendricks: — Yes.

Hugh Gordon: — I was wondering also, for the benefit of the '24-25 Public Accounts, our five P3 [public-private partnership] arrangements, I see the amounts that are listed there on page 78 of that report, '24-25. I see the amounts there attributed to each of the five major P3 projects. I just was curious if you could give us an idea as to how much longer those liabilities or those arrangements will be in effect for the province.

Max Hendricks: — So in the summary financial statements in the Public Accounts that we're reviewing, if you look at schedule 10, it talks to the end contract date for each of those. So the Regina bypass, elementary schools, SHNB [Saskatchewan Hospital North Battleford], that sort of thing. So most of these have a fairly long time horizon, so you're looking to the late 2040s, early 2050s.

Hugh Gordon: — Just to again provide some more insight about those arrangements, those contracts, are there any opportunities within the contracts to, you know, mitigate the length or mitigate costs? You know what I mean? Is there any way to . . .

Max Hendricks: — I wouldn't be familiar with that. I'm not involved in the contractual language. There probably would be at a price, but I don't know that for sure.

Hugh Gordon: — Yeah. You know, I think good management would include an option to mitigate those things and leave options open for the government going forward to ensure that we're not incurring excessive costs, and when there's opportunity to lower those costs, we take advantage of them. Thank you for that.

My last question for the '23-24 report touches on the auditor's special note that she had made mention of — the non-compliance with the paying of the greenhouse gas pollution Act monies from January to March 2024, if I'm not mistaken. I just was curious, what's the state of that now? Is the government in consultations with the federal government to determine how to repay that? If so, what's the schedule for that?

Max Hendricks: — Yeah. So as you mentioned this was . . . Well I guess the carbon tax on home heating was removed in January of 2024 after the Prime Minister did the same, provided relief for Maritime provinces for home heating oil primarily. Like it would have applied to us too, but we don't have much here.

So our Premier at the time felt that, you know, in the interest of affordability and equity, that that shouldn't exist on our home heating, so we booked 172 million, I want to say, for '24-25 for that. There are discussions with the new Prime Minister and his cabinet around some of these issues related to that and other things related to the carbon tax file.

Hugh Gordon: — And just so I understand clearly, is this something that the department in its financial statements, in its reports is going to ensure is included, is calculated, is factored in, this potential liability?

Max Hendricks: — Yes. Yeah. As the auditor mentioned, we did book . . . I want to say 172, right?

Brent Hebert: — I think it's around 185.

Max Hendricks: — Oh, 185. Yeah, sorry. The 172 is better. 185. And so we did book that for that fiscal year as a potential liability. That will continue to be adjusted until we reach a resolution.

Hugh Gordon: — And just curious, is that accumulating with interest?

Max Hendricks: — Well it's funded by the CRA [Canada Revenue Agency], so yes.

Hugh Gordon: — So we might have to have some discussions with them as well. Thank you. I want to turn our attention to the '24-25 Public Accounts. Just was wondering if you could talk about the factors that contributed to the deficit in the financial statements and how that differs from the previous year and the budget.

Max Hendricks: — So there were several factors. The operating deficit, as you point out, increased. The operating deficit of $249 million was a $431 million decline from the prior year. And this result was an increase in expense obviously and a slight decrease in revenue.

So one of the key factors was a significant increase in health expenses due to increased demand. And this was partially offset by lower-than-expected crop insurance payments — it was a strong year for crops — and taxation revenue. You remember earlier when I mentioned '23-24 was particularly strong for potash, and our corporate income tax and revenue from that sector dropped off in the subsequent year, so that would have impacted the number.

Chair Wotherspoon: — MLA Pratchler.

Joan Pratchler: — Could you speak to the vulnerability of our province's finances, and what's the long-term consequences of accumulating deficits?

Max Hendricks: — So first of all maybe I'll start out by framing this question a bit. So right now we have the second-lowest debt-to-GDP [gross domestic product] ratio in the country, and in '24-25 we had the second-highest rating from credit rating agencies. We are now in number one position. And so what we've tried to do is several things.

I think when Rod and I meet with the creditors, they're concerned whether we are able to manage deficits, keep them under control. And you know, they realize that sometimes there'll be ebbs and flows, right, but that we're generally taking the necessary steps to do that.

They also look at what we're spending and why we're acquiring debt and are taking on debt, and one of the key things you'll notice in our debt is most of it is for capital. And this is hospitals,

schools, roads, that sort of thing. We've had a significant population increase, and so investments in some of that infrastructure are necessary.

But a big one is SaskPower and our Crowns as well. So SaskPower in particular though requires significant capital expenditure to not only maintain its current operations, but also, as we have more industry, new mines going up, potash mines, that sort of thing, they require more power. So they're, you know, planning to meet demand. And then there are also the things around, you know, what direction they'll go to reduce the greenhouse gas impacts of that generation. And so I think the credit rating agencies see that as good debt . . . or not good debt but better debt, you know. That's kind of something that . . . You know, we're making a long-term investment.

You know, we've been I think also very disciplined in our borrowing strategies and have actually expanded a bit in terms of the markets that we're going into. So primarily we had been focusing on Canadian markets up until a few years ago, and that was for . . . You know, we borrow in both short- and long-term markets. So in our long-term markets that would be for capital; short-term, you know, any kind of thing that has quick turnaround or whatever.

But a few years ago we went into the US market, and two years ago we went into the European market, and we're in the Swiss market as well in a smaller way. But one thing I'll say is I met with investors in Europe, and they have a lot of confidence and are pretty bullish on Saskatchewan, and think that there's a bright future here. Many of the investors that we met with ended up buying Saskatchewan bonds. And so, you know, we think that we're spreading the risk by going to different markets so we're not held to one market, and so that we can actually narrow the spread that we pay on bonds that get the best price for Saskatchewan residents.

Chair Wotherspoon: — Okay, thank you. MLA Crassweller.

Brad Crassweller: — Sorry, just to clarify. I was just trying to look something up here. So you just said we have a number one credit rating? Is that what I heard you say?

Max Hendricks: — Correct.

Brad Crassweller: — Thank you.

Chair Wotherspoon: — MLA Pratchler.

Joan Pratchler: — Could you explain what factors have contributed to the increase in the general debt year over year? I'm thinking '24-25, page 76.

Max Hendricks: — Yeah, and I think it's kind of what I just talked about. Our operating debt has been very stable, around seven, a little over 7 billion a year. But it's been our capital debt increases, and so some of that is executive government, and a bigger share is the Crowns, who we do borrow for.

And so they obviously return that. We call that self-supporting debt because they're actually paying the interest cost and that sort of thing through their charges to whoever. But the public debt, which would be the capital that we purchase as a province — the hospitals, the schools, that sort of thing — has also been growing, as I mentioned.

[14:00]

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — Yeah, just to expand on that a little bit, you said executive debt. Did I hear that correctly?

Max Hendricks: — Executive government.

Hugh Gordon: — So those amounts I see under general debt, for government business enterprise debt, are you saying that's the provincial government's operating obligations on behalf of Crowns?

Max Hendricks: — Yeah, so I said executive government debt. So that would include your capital plan debt and your operating debt. The Crown debt — SaskPower and all that — those are GBEs, government business enterprises, and so they appear in the summaries and so are reported on in the summaries, so we show their debt as well.

Hugh Gordon: — So the $750 million government business enterprise debt for SaskPower, that includes any capital acquisitions we made on their behalf and any operating costs we're assuming?

Max Hendricks: — Okay, there. Rod jogged my memory here. So the total debt for SaskPower went up from $8.65 billion to 9.389. The 750 million that you're referring to is every year we have to do a number of refinancings, we call them. So as term debt comes due, we pay that off. We replace that debt. And so $750 million was the general debt that we actually ended up replacing through renewals.

Hugh Gordon: — So it's another way to assist the Crown corporation to do financing essentially is where that comes from. Now is it separate and apart from what the tangible capital assets described on page 10 are? And if they are, could you provide a bit more details of what that constitutes?

Brent Hebert: — Sorry, Member, are you referring to page 10?

Hugh Gordon: — Yeah, page 10 in the '24-25 Public Accounts. Sorry, it's just in the notation in the upper right-hand corner. It just refers to a year-over-year increase primarily due to operating deficit and net acquisition of tangible capital assets.

Max Hendricks: — No, this is only — I'll use the term again — executive government debt. It does not include the Crowns.

Hugh Gordon: — So what is a tangible capital asset perhaps is my question?

Max Hendricks: — A tangible capital asset is like a road, a power station — I don't know — power line.

Hugh Gordon: — Is that in the financial statements? Is there a breakdown of that that I may have missed or forgot to footnote? Just for my . . .

Max Hendricks: — On page 80.

Hugh Gordon: — Page 80?

Max Hendricks: — Yeah.

Hugh Gordon: — Thank you so much for that. Also if you could discuss the remeasurement losses noted on page 10 as well, and what constitutes those.

Max Hendricks: — So as part of new PSAB [Public Sector Accounting Board] accounting rules that were brought into place, we were required to reassess the value of things like our dividend structures every year, so we hedge . . . or sorry, derivatives. We hedge against different funds. And so we have to reassess that every year, re-evaluate it.

Hugh Gordon: — Thank you for that.

Chair Wotherspoon: — MLA Pratchler.

Joan Pratchler: — What factors do you foresee contributing to the province's credit rating? And is there a particular level of debt or deficit that you could see that credit rating being affected by?

Max Hendricks: — Like our last credit rating downgrade was in 2021 during the pandemic, and so one of the things obviously that would affect a credit rating downgrade was that, you know, if the credit rating agencies didn't feel that the province had the capacity to service that debt.

So one of the things that we as a province try to maintain as kind of an anchor, a fiscal anchor, is we don't let non-renewable resource revenue account for any more than 15 per cent of our total operating expense. And that would include debt servicing, all of that. But it's something that we have to keep a close eye on because a few years ago we were borrowing at next to zero. It was very low, cheap money. But interest rates have increased, you know, things like that.

So you're vulnerable when you go to those refinancings that I was talking about and such. And so it's keeping and, you know, it's meeting with the creditors, which Rod does regularly, and reassuring them that you have a strategy in place that can meet that. Now at some point, you know, even a natural disaster like a crop failure or something like that — complete crop failure, huge wildfire season, you know, whatever — might affect their view of Saskatchewan's stability.

Acting Chair Crassweller: — MLA Gordon.

Hugh Gordon: — Looking better there, Chair. Don't tell him I said that. Oh wait, it's recorded.

My next question . . . Thank you. So we're now spending over $1 billion on debt financing costs. And I just was wondering if the ministry's made an assessment, is how much this is impacting the province's ability to pay for things like health care, education, and other supports for people. Note on that would be page 32 of the '24-25 Public Accounts.

Max Hendricks: — In '22-23 we were at 816 million and we're at 951 million now. Obviously that is something that we monitor closely because it does . . . You know, as kind of an expense, when you look at your big ones like health and education and that sort of thing, you know, you see financing charges start to creep up. We need to be watching that. And so I would be lying if I said, you know, it's not something that we watch closely and think about.

Hugh Gordon: — No, and I appreciate it. You know, we're just starting to see the charges for interest on our debt now starting to exceed a number of ministries' expenses and amounts that they spend. But yes, thank you for that.

Chair Wotherspoon: — MLA Pratchler.

Joan Pratchler: — How does the ministry anticipate the decrease in non-renewable revenue sources for potash and oil and gas going to impact the government's ability to manage their finances coming up here?

Max Hendricks: — I'll start, but I'll let Cullen weigh in too. He's the resident expert in this area. But you know, I think that we've seen a lot of activity in the potash sector. You know, the tariff situation has kind of, it's something that we're kind of monitoring. Not so much the tariff situation with the US — most of our companies are CUSMA [Canada-United States-Mexico Agreement] compliant — but things like, you know, it's a renewable resource I guess, but you know, canola meal, that sort of thing which are also big industries.

You know, when we look at estimating the prices and our output, we don't kind of shoot from the hip. We work with private sector forecasters, Ministry of Energy and Resources to come up with estimates that we feel are realistic.

So you know, in any given year we're going to be wrong on something, right. So at the beginning of the year we were a little high on oil, and oil has been quite down this year. But by the same token, potash has gone up and it's been a stronger year than we thought it would be. So as I said, we work with industry and we work with the Ministry of Energy and Resources. And I'll let . . .

Chair Wotherspoon: — Maybe I'll just say — and I appreciate you indulging the line of questions as well — it's maybe just crossing that line just a bit from the mandate of what this committee is about. So where the after-the-fact audit focused on the years prior, and focused on the volume 1 in the years prior . . . I appreciate you getting into the conversation of the current budget environment and the budget moving forward, but for the most part I think the mandate of this committee in this case is after the fact and a measuring up of where things were.

I think there's an appropriate line of questions that might get to the same place, where you could look at, sort of reflect on the year prior as to where each of the different forecasts, you know, where they're off with respect to the actual, and a better understanding of maybe what it means when oil price is up or down from budget or what it means if WTI [West Texas Intermediate] and WCS [Western Canadian Select], if that spread is tighter, measuring what the Canadian dollar impacts are if it's off from budget.

Because I think we could look at that for the fiscal year '24-25

from this volume 1 and from that ascertain a bit for purposes to reflect to the future. But I just thought maybe I'd pause going too far down this road because it is getting into the more future-focused and current fiscal environment.

Max Hendricks: — Or if you'd like, Cullen can reflect on '24-25 for you.

Cullen Stewart: — Yeah, just following up on Max's comments there. In the '24-25 fiscal year oil averaged — and this is American dollars per barrel — WTI, 74.49 compared to 77 at budget. So pretty close, the budget forecast to the final total-year average.

The light-heavy oil differential is something also, right. We have, you know, 40 per cent of our production approximately in Saskatchewan is heavy oil, so a different quality of crude to the light oil or medium grades. There too the budget forecast was pretty close with the year-end actuals. So the differential as a percentage of WTI, light-heavy was 14.5 per cent at budget and 14 was the actuals over the course of the year.

With respect to potash, at budget — this is again US dollars — and KCl [potassium chloride] tonne netbacks at the mine gate was 268 a tonne and the year average, 233.

The potash market is a challenging market in the sense that unlike oil, which is a ubiquitous product kind of globally and traded daily, potash has very specific markets for different sub-grades of the product, and it's not really traded in the same way that oil is.

So they're both volatile for different reasons, and obviously we're a large oil producer in the context of Canada and maybe North America but not globally — compared to potash, obviously we're a huge producer globally — so the swings there can impact us quite a bit but difficult to predict in terms of market forces, inventory builds. Demand can swing pretty quickly depending on ag commodity prices or local conditions in certain markets, like key ones being China, India, Brazil, and the area around Malaysia and southeast Asia. Also there you have another major competitor in Russia-Belarus, and their ability to deliver potash into those markets, and competing with Canpotex for contracts, can swing things in a tight period of time.

Uranium has been really positive over the last number of years. I'll just say after the Fukushima disaster, there was a lot of downward pressure on uranium demand, as well as there was a lot of nuclear weapons that were being converted into nuclear fuel which was pushing down uranium demand.

[14:15]

In the last couple of years, uranium demand has really picked up and that conversion of nuclear weapons has virtually ceased. So we've seen really strong prices in uranium and would predict that that would at least continue in the, you know, coming up in this year.

I guess more broadly to your question around long-term trends and maybe to the Chair, you're always going to have, you know, swings in the different commodities over time in the pricing, but it's really about adding new production. So when you look at Jansen or K+S expansion in potash, or the potential for the, you know, Wheeler River or Rook project in uranium, and then some of those new commodities like copper, lithium, helium, rare earth elements hopefully adding to the mix too over the medium term.

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — Just a quick follow-up on that too. So is there a range of commodity prices that you anticipate it to fall into? I mean it's hard I guess. I know you don't nail the exact number every year. But would it be more prudent perhaps to plan out a range and then provide a calculation of how the revenues might look in anticipation of a different range of prices, like a low-, medium-, and best-case scenario?

Cullen Stewart: — Yeah, there is a version of that that we provide in the budget, and it's a resource price sensitivity table. So it would say, here's what the forecast is, as Deputy Minister Hendricks had mentioned in terms of using average private sector experts in some industry data that we get. And then from there, you know, if WTI is a dollar more it's . . . You know, I can't remember the exact number in our current budget. I believe it's 17 million. Gives that sensitivity. So if you want to do the calculations going either direction.

Generally speaking of course it's an all-else-equal. You know, there's other factors that impact Crown royalty or in particular production tax take. Similar with potash. We provide that revenue sensitivity. And the other big one is the US-Canada dollar exchange rate, which can impact resource revenue quite a bit if that swings a lot up or down compared to the budget forecast. Thank you.

Chair Wotherspoon: — And just for the thousands of folks that are tuned in watching this here that might not have looked at the assumption sensitivity page there, could you give just the numbers for the fiscal year that we're looking at here, the '24-25 for the difference in the price of oil or Canadian dollar, and any of the other measures that you have there as well? I think the differential on WCS and WTI. And maybe if you can reflect as well on how that lined up in that, how that played out as far as actuals in the '24-25 year.

Cullen Stewart: — Sure. So I do have the numbers available in our budget document. So on page 45 of the '24-25 budget, we list the main resource sensitivities as a $1 American change in the price of WTI averaged over the fiscal year. It would be a plus or minus 17.5 million change in oil revenue.

For $10 American per tonne netback KCl averaged over the fiscal year up or down, it would be 52.6 million.

And then a one-cent change in the Canada-US exchange rate — and this would be across all the revenue categories under non-renewable resource revenue — would be 35.8 million, so combined basically across potash, oil, and uranium.

In terms of the forecast to year end on those pricing items and on the exchange rate, we're very close on the pricing. The exchange rate there was about a two-and-a-half-cent difference.

Chair Wotherspoon: — MLA Pratchler.

Joan Pratchler: — Just looking at page 19 in the ’24-25, and looking at the chart at the top of the page there, the one that is delineating the corporation income tax. So there’s quite a shift from ’24 to ’25. Is that flux expected? How does one plan for that? Do you sense that that’s typical?

Cullen Stewart: — So maybe looking across the ’22-23, ’23-24, and ’24-25 fiscal years for corporate income tax: ’22-23 was 1.9 billion, ’23-24 was 2.5 billion, and ’24-25 was 1.4 billion. The reason why I mention those years is, if you look at the ’23-24 fiscal year, whether this is for personal income tax or corporate income, it has three taxation years that are impacting that one fiscal year.

So a taxation year is on a calendar year. So the ’23-24 fiscal year would’ve had what’s called a prior-year adjustment. So basically once we get the actuals in from CRA — which come in, in that case, near the end of March — there’s a prior-year adjustment that can be positive or negative in terms of reconciling the final for the ’22 tax year. And then you have the tax forecast for 2023 tax year, which is obviously three-quarters of the ’23-24 fiscal year, and for the ’24 tax year, which is the final quarter of that fiscal year.

Our income tax forecasts build on . . . Finance Canada provides income tax forecasts, and then we have some calculations that we do, things like Saskatchewan-specific credits that are applied or Saskatchewan’s allocation based on historical averages of total Canadian taxable income.

So what’s happening across those years, as Max had mentioned, in 2022 in particular the potash price. Other commodities were very high as well in that year, but the potash price in particular went very high very suddenly and lasted most of that tax year due to the Russia-Ukraine war, and then some of the impacts there from sanctions imposed in Europe and North America and some East Asian countries. So the price was extremely high in the ’22 tax year, so then there’s a large prior-year adjustment that got calculated in the ’23-24 fiscal year.

So there’s income tax in particular. Corporate income tax has some lag effects when there’s big booms or big busts in certain sectors. And obviously for us the resource sectors are foremost, and those swings can be quick and unpredictable in some cases.

Joan Pratchler: — Okay, thank you. I didn’t realize that.

Chair Wotherspoon: — MLA Gordon.

Hugh Gordon: — Transfers from the federal government constituted 18.2 per cent of provincial revenues for ’24-25. Particularly for health care and education, you know, how important is this source of revenue to ensuring the government continues to keep its financial commitments?

And I’m just curious. The federal government has pledged to tighten its belt and to find savings, and I’m just wondering if you’re able to provide any insights into how that might impact these transfers to provinces like Saskatchewan which rely on them to administer our social services, health care, and education in the province.

Max Hendricks: — Okay, maybe I’ll start and then Cullen can add anything he’d like. But they are important. You know, when medicare began as a federal program, basically it began in Saskatchewan, but when the federal government did it, it was 50/50 cost sharing. Now it’s down into the 24, 25, maybe even a bit less percentage. There was an agreement struck a few years ago that saw the feds increase their share, their escalator on the CHT [Canada Health Transfer]. But that will expire next year, I think it is, and return to the previous level of 3 per cent per year.

So I think it’s fair to say that the premiers are lobbying the federal government to maintain, I want to say 6 per cent escalator. Or 5 per cent? Yeah, 5 per cent escalator, because it is that important. Like, we’re not unique — every province is experiencing expenditure challenges in their health care system. You know, it’s a factor related . . . Well, medical care is becoming more expensive generally. But then also your population that you’re dealing with, the demographics are changing as well.

Hugh Gordon: — Thank you.

Chair Wotherspoon: — MLA Pratchler. MLA Gordon.

Hugh Gordon: — Yeah, I just was wondering, on page 24 it showed that health care fees contributed to the year-to-budget increase. What kind of health care fees were you referring to on page 24? What did that constitute?

Max Hendricks: — I think that was something that MLA Pratchler asked earlier. It is long-term care fees because it’s a utilization-based thing — EMS fees, things like that, that are charged directly to residents for their use of certain non-*Canada Health Act* items.

Hugh Gordon: — So same as from ’23-24, effective ’24-25. Okay, thank you. I think that’s all the questions we have, Mr. Chair.

Chair Wotherspoon: — Thanks for that. Good questions. Looking to members that may have other questions. You two got to quite a few of the questions that I would have wanted to see asked, so great job, and a bunch of others that I didn’t anticipate as well. Maybe could we just have a bit of a breakdown on what the debt profile looks like right now for the province, and what rate we’re looking at on the different amortization terms?

Rod Balkwill: — Hi. Rod Balkwill, ADM of provincial treasury office. Thank you for the question. So in terms of the rates . . . Well maybe I’ll back up. So as you know, probably know, we borrow in longer term bond markets to fund capital acquisitions, and generally we borrow in terms of 10 years or 30 years, so longer term. And we borrow in shorter term markets if necessary to fund operating deficits, which we haven’t had to do in the last three years. So generally longer term markets, and the average term of that debt is about 15 years on average. We do borrow on behalf of the Crown corporations as well, which also borrow in that 10- and 30-year term.

So in terms of the cost of funding, it moves every year, or daily, with global interest rate markets. And we’re susceptible to that, but we can make efforts to lower the cost of funding by a good credit rating or meeting with investors to help them understand the benefits of buying Saskatchewan bonds.

The last few years, interest rates have bounced around a little bit. As Deputy Minister Hendricks mentioned earlier, we're borrowing at some points close to zero, not quite that all the time, but in very short-term markets during the pandemic. In the fiscal year ending in 2021, we borrowed at an average of 1.5 per cent, and that was for long-term debt as well as some short-term debt. That steadily increased in 2022 to 2.4 per cent; in 2023 fiscal year ending March 31, at 3.7 per cent; and peaked in the '23-24 year you're looking at considering today at 4.3 per cent. So the cost of borrowing did increase by some 3 per cent over those four years.

In '24-25, the other year you're considering, 4.19 per cent is our average cost of borrowing, so it has dropped a little bit. And you would have seen that with the Bank of Canada lowering interest rates, and that's as the economy has slowed a little bit over the last couple of years. And of course the tariff impacts have caused interest rates to fall.

[14:30]

Chair Wotherspoon: — Thank you very much. And then you have the schedule of debt that's maturing that's in the volume 1, so that's there. And then could you just provide us, I guess for the last two fiscal years, how much debt was rolled over, how much was matured and then replaced, and then how much additional new debt for those years.

Rod Balkwill: — In fiscal '23-24 we had 988 million of maturing debt that was rolled over, and in fiscal '24-25, 927 million of debt that matured and was reborrowed, if you like, in that year.

Chair Wotherspoon: — And just on those, when you're reborrowing or replacing that debt, what was the rate for the debt that was maturing, and what's the new rate that it's subjected to now?

Rod Balkwill: — Okay, so in '23-24, that was a bit of an odd year. We had about, I said, 988 million mature. We actually didn't have to refund that because we had cash left over from a strong year. But if we had, the debt that matured was 3.26. We did borrow at 3.91 per cent for some other debt. In '24-25 the 927 million that matured was at a lower rate of 3.16 and we refinanced at 4.31 per cent.

Chair Wotherspoon: — Well thanks for that. Maybe just a follow-up question on crop insurance. There was some discussion of agriculture and the different variabilities and factors there. But could you speak to, for those two reports and those fiscal years, what would be the surplus position for crop insurance. I know it's been deteriorated over the last number of years based on weather and crop conditions, but if you could speak to that.

Max Hendricks: — So their accumulated surplus at the end of '25 was 144 million, and we expect from early returns this year that that will grow this year.

Chair Wotherspoon: — I know you review, you have the different measures of vulnerability and sustainability, and I know you assess all factors there. What sort of undertaking have you taken as Finance to assess crop insurance and that surplus and its risk or vulnerability?

Max Hendricks: — Yeah, in the year that you mentioned we added to the accumulated surplus, like, there are several things that I guess are going on. Obviously you know, the federal government's a partner in this through AgriStability. Things like our investment in reinsurance, you know, there's always the ability to restructure that a bit if we feel that there's increased exposure. But that's pretty expensive for something that you may or may not use, and you have to hit a pretty high claim rate to even be able to use it.

And so you know, the last few years, producers share in this too. And we have been . . . You know, obviously we have to increase rates by something to reflect the fact that first of all the price of crops, canola, everything have been higher. We have more seeded acres, more productive acres. And so I think there are several factors that are built in to actually kind of make this program a little, you know, kind of adaptable to the changes both in the farming sector, but also the risks.

So as I mentioned, it's a 10-year average so they will capture some of these years. And it's based on a federal forecast, one that the AgriStability fund uses, so yeah.

Chair Wotherspoon: — No, thanks for that update. Obviously it's an incredibly important backstop for producers, and its sustainability is critical to producers across the province. It's been on a challenging trajectory, that surplus, right. It was up to a few billion dollars not that many years ago, and these last five, six years we've suffered, you know, significant droughts in many parts of the province. And we've seen the impact on yield and on producers, and so it's been drawn down to a really tight situation where the surplus seems to be rather non-existent.

If you could speak to the . . . And I understand that there's some level of reinsurance that's acquired. I do understand that that's fairly expensive, so there's some calculations around, you know, how much of an exposure you want to protect yourself against. But could you speak in, I guess, these two previous years that we're looking to here, just what the strategy has been with reinsurance on that front, and how much reinsurance is there and what that cost is?

Max Hendricks: — So in 2021, which as you know was a very difficult crop year, is the only time, I believe, in 15 years that we've triggered reinsurance. And what we actually received back, because the bar to access it is so high, it barely covered our premium. Because it's very expensive, reinsurance.

So I think we keep, you know, a bit there and I don't recall the exact figures. We haven't adjusted it too, too much, but it will probably have gone down a little bit just because, you know, relative to other forms of support that we can give, that's a relatively expensive one.

Chair Wotherspoon: — Can you speak to the amount of reinsurance — I don't know if that's the proper way to describe it here — the amount of reinsurance that we would've had on the books for the last two fiscal years that you reflected in these two volumes, and the cost for that reinsurance?

Max Hendricks: — So we had $246 million of coverage.

There's a thing called the attachment point, which is 16 per cent of the total liability, and we paid $40 million in premiums for that. So it's pretty expensive.

Chair Wotherspoon: — Yeah, okay, thanks for that. Maybe just touch on the tobacco settlement that came in that would be reflected in the '24-25 volume 1, about $400 million that came in. And I know I've commented on being careful not to get into sort of the budgets on a go-forward basis. But when that settlement came in, I believe there was then a schedule of payments that was agreed to, or committed to, for the out years here for the amounts that were owed.

Could you speak to (a) when were you notified that you were going to be receiving those dollars in that fiscal year, and then too, what the commitment was or what the agreement is for the settlement of the rest of those dollars based on the previous fiscal year here?

Max Hendricks: — Yeah, so the agreement with the tobacco companies was reached at the very end of the fiscal year. We had ended up booking the $400 million through public accounts and attached it to that fiscal year. In '25-26 it's supposed to be 179 million. I don't know if you're seeing it yet or not, but that's our estimate of what we'll receive.

Chair Wotherspoon: — You've laid out the measurement of vulnerability and flexibility on the fiscal side in the report here, and those are good measurements you've laid out, I think, really good information for the public. From your perspective and based on the last two fiscal years, what's the greatest, like, vulnerability, if you will, for the finances of our province? Or what poses the greatest risks additionally from a fiscal flexibility perspective?

[14:45]

Max Hendricks: — Well obviously, you know, there's a lot of uncertainty towards the south and what happens there. You know, we through our Crown corporations were able to support Evraz and kind of fulfilling some advanced contracts to keep them rolling, but we've been hit by steel, that sort of thing.

As I said before, most of our stuff is CUSMA compliant, but if we don't negotiate a new agreement or a good agreement for Canada . . . You know, we export about 50 billion of our $70 billion GDP and most of that's to the US, right, and so that's a key thing. Also just in terms of, as I mentioned, the Chinese government, you know, and kind of its ongoing spat with the federal government. And so that is impacting largely Saskatchewan more than anybody.

But you know, there are a few other things obviously. You know, we've seen some volatility in kind of our wildfire situation, ag situation, that sort of thing, both in terms of price but also production, weather, and such. But you know, we expect that we can weather those ones, but those would be kind of the big ones.

Another one that I worry about a lot is a credit downgrade. I'm not saying it's going to happen, but you know, that does have a . . . It's a pretty small impact. But you know, when I think about it, Saskatchewan being at just under 14 per cent net debt-to-GDP ratio, put that in perspective of the federal government's, which is in the mid-40 per cents. And so like we're still in a fairly good position relative to other provinces and the federal government even.

Chair Wotherspoon: — Any further questions from committee members? Thank you very much for that. Not seeing any, I'd certainly like to thank our deputy minister and his officials here for Finance, our Provincial Comptroller and officials here from that office, and of course our Provincial Auditor and her team as well for the time this afternoon and for the important work they do for the people of the province.

And I would welcome a motion at this time that we move to conclude consideration of Public Accounts 2023-24 volume 1 and Public Accounts 2024-25 volume 1. Moved by Deputy Chair Wilson. All agreed?

Some Hon. Members: — Agreed.

Chair Wotherspoon: — All right, that's carried. Any final remarks before we shut this thing down?

Max Hendricks: — Maybe I would just like to first acknowledge the work of our Provincial Comptroller's office and the auditor again for putting all of this information — as you said, we're first in the country every year in producing that report — but also the rest of my colleagues sitting behind me and around me that support this work every day. Couldn't do it without them, so it's been a good ministry and it's had a solid reputation for years, and so I'm quite happy to be working with such a fine group of people.

Chair Wotherspoon: — Right on, that's great. And, Comptroller, you got anything for us before . . .

Brent Hebert: — No, I echo Max's comments, and it's been a pleasure today answering your questions. Again I just want to call out the Provincial Auditor as well and their co-operation because, without that co-operation, this would be a really tough process to go through, especially reaching the production of the statements so early in the year when you see others that are coming two and three months past.

So I think it's really important from an accountability perspective to get those out as early as possible to the readers and to people who are interested in them. So we couldn't do that without the Provincial Auditor, so we appreciate that as well. Thanks.

Chair Wotherspoon: — Okay. Right on, that's great. And I know these were published, I think, a few months ahead of lots of other provinces, including Manitoba. And I like Manitoba but, boy, I love beating them at things — you know, football and having our public accounts published a few months ahead of them. That's great. Maybe to our Provincial Auditor, any final word for us?

Tara Clemett: — No. Again thanks for the opportunity to just come and present today, and I think this is just an important, I guess, deliberation that this committee does have, that you discuss the public accounts each year. So thanks for the opportunity to talk about the results and talk about the work we did to make sure those numbers are right. Thank you.

Chair Wotherspoon: — All right, the most popular motion of the day. Anyone care to offer a motion of adjournment? MLA Crassweller moves. All agreed?

Some Hon. Members: — Agreed.

Chair Wotherspoon: — Okay, that's carried. This committee stands adjourned until Friday, October 17th, 2025 at 9:15 a.m.

[The committee adjourned at 14:50.]