



STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

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STANDING COMMITTEE ON CROWN AND CENTRAL AGENCIES

Mr. Fred Bradshaw, Chair
Carrot River Valley

Mr. Nathaniel Teed, Deputy Chair
Saskatoon Meewasin

Mr. Steven Bonk
Moosomin

Mr. Ken Cheveldayoff
Saskatoon Willowgrove

Mr. Mark Docherty
Regina Coronation Park

Mr. Greg Lawrence
Moose Jaw Wakamow

Mr. Doug Steele
Cypress Hills

[The committee met at 17:00]

The Chair: — Well good afternoon, everybody, and I want to welcome all the members to committee. I'm Fred Bradshaw. I'm the Chair. And sitting in for Nathaniel Teed, who is the Deputy Chair, is Mr. Trent Wotherspoon. We also have with us Steven Bonk, Ken Cheveldayoff, Mark Docherty, and that is it.

I would like to advise the committee that pursuant to rule 148(1), the following 2022-23 supplementary estimates no. 1 were committed to the Standing Committee on Crown and Central Agencies on November 29th, 2022: vote 18, Finance; vote 151, Municipal Financing Corporation of Saskatchewan; vote 152, Saskatchewan Power Corporation; vote 153, Saskatchewan Telecommunications Holding Corporation; vote 175, Debt Redemption; vote 176, Sinking Fund Payments.

Today we will be considering those supplementary estimates.

We'll begin by considering the supplementary estimates no. 1 for the Ministry of Finance including vote 18, Finance; vote 151, Municipal Financing Corporation; vote 175, Debt Redemption; and vote 176, Sinking Fund Payments, Government Share.

**General Revenue Fund
Supplementary Estimates — No. 1
Finance
Vote 18**

Subvote (FI05)

The Chair: — We'll begin with vote 18, Finance, revenue, subvote (FI05). Minister Harpauer is here with her officials. As a reminder to officials, please state your name for the record before speaking, and please don't touch the microphones. Yeah, they're very expensive. If you do, somebody'll come and slap your hand. The Hansard operator will turn your microphone on when you speak.

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

Hon. Ms. Harpauer: — Thank you, Mr. Chair, and welcome to all of the committee members. The Ministry of Finance officials that are here with me are the deputy minister, Max Hendricks; assistant deputy minister, revenue division, Nancy Perras; assistant deputy minister, fiscal policy division, Cullen Stewart; assistant deputy minister of corporate services and office of planning, performance, and improvement, Karen Lautsch; and executive director, communications branch, Jeff Welke.

Supplementary estimates cover the Saskatchewan affordability tax credit payments, which provide one-time \$500 payments to all eligible Saskatchewan residents to help address inflationary pressures and the resulting impact on the cost of living. The payments are in the form of a \$500 cheque mailed to eligible Saskatchewan residents, and a tax credit is a non-taxable payment.

With that, Mr. Chair, I'll take questions.

The Chair: — Well thank you, thank you, Minister. And are

there any questions? Mr. Wotherspoon.

Mr. Wotherspoon: — Sure. Thanks so much. We'll focus in on the \$450 million program. Here are some of the questions.

I'm interested in that there's the goods and services allocation that has a budgetary on to \$4.7 million. Can you break down the nature of those goods and services, those expenditures?

Hon. Ms. Harpauer: — Of the 4.7 million in costs, that includes 2.5 million for cheque printing and processing, which includes the printing and the postage and the bank fees and 0.3 million in salaries and benefit costs in the Ministry of Finance.

Mr. Wotherspoon: — Thanks for that information. Could you break down those costs just a little bit more, and also, were any third parties used for the execution of the program? If so, which and at what expense?

Mr. Hendricks: — Max Hendricks, deputy minister of Finance. So of the 4.7 million, two and a half million dollars, as the minister mentioned, was for cheque printing and processing. So that includes the printing, the postage, the paper, as well as the bank fees. Some of the bills for the bank and the additional fraud protection that we did put on the cheques are still to come in. So we don't have that final figure yet, but it will be under the 4.7 million.

And then as the minister mentioned, we're anticipating \$300,000 for staff salaries within the Ministry of Finance to kind of run this program through till the end of January.

Mr. Wotherspoon: — Thanks for that. And the second part of my question was, were there any third parties used for the execution of the program? And if so, which third parties and at what expense?

Mr. Hendricks: — We contracted with Xerox, who is our printer and could handle this volume. And they printed all the cheques for us and put them into the mail.

Mr. Wotherspoon: — Thanks so much for the information. So about 900,000 cheques were budgeted to be delivered. Do you know how many have been delivered to date, and then how many have been cashed, or the percentage of that?

Hon. Ms. Harpauer: — The number of cheques as of this morning was 825,581. The number of cheques that have been cashed to our knowledge is 403,795.

Mr. Wotherspoon: — Thanks so much. We've heard situations, of course, where the cheques went to those that are deceased, and it's been a challenge for many that have received those cheques. Did you incorporate doubtful recipients into your budgeting, people that were deceased or people that have moved away and cheques that'll never be cashed? If so, what did you incorporate in on this front?

Hon. Ms. Harpauer: — If the person had moved away, there would be no way for that cheque to be cashed and it would be returned. It cannot be forwarded. That's right on the envelope that it cannot be forwarded. In the situation where an individual

would have filed their taxes, their 2021 taxes, prior to March 31st of this year and then had deceased after, in those months from that date to when the cheque was issued, we had no way of knowing that they had deceased. And so we had said that it could be deposited into their estate.

Mr. Wotherspoon: — Thanks for the information. So did you incorporate doubtful recipients into the budgetary allocation? If so, what does that look like?

Hon. Ms. Harpauer: — So what we took into consideration was the number of tax filers that we would normally have, and then just a guesstimate, quite frankly, of how many would file because of this cheque.

Mr. Wotherspoon: — And sorry. Do you have now, based on information you received, do you have a bit of a model or an understanding, a bit of an amount that you're planning towards for those cheques that won't be deposited, those that are deceased, those that have moved away, those that didn't meet the tax provisions?

Hon. Ms. Harpauer: — Are you asking have we decided . . . We don't know yet what that revenue would be, I don't know, within . . . like what the amount would be at this point in time.

Mr. Wotherspoon: — Was there any consideration for leveraging the CRA [Canada Revenue Agency] to make electronic auto payments, similar to what I understand Alberta's looking to do right now with their payments, as opposed to the cost of mailing the cheques? Was there an assessment of what that option might look like?

Hon. Ms. Harpauer: — The CRA will not mail stuff on our behalf, and we don't have the banking information for people that file their taxes. That information is held with CRA.

Mr. Wotherspoon: — It's my understanding that Alberta, that's the route that they're looking to dispense dollars, is electronically through co-operation with CRA. Is that your understanding as well?

Hon. Ms. Harpauer: — I have no knowledge of that.

Mr. Wotherspoon: — Was there anything pursued on that front to see if that would have been a possible method to deliver . . .

Hon. Ms. Harpauer: — Our understanding is CRA will not mail on our behalf.

Mr. Wotherspoon: — But electronically, working with CRA to have auto . . . to have them done electronically.

Hon. Ms. Harpauer: — I'm not sure how . . . if you're hearing Alberta's going to do it this way. We would have to continuous . . . like we would have to direct money to CRA in order to get them to do this. So we did not consider it.

Mr. Wotherspoon: — Do you know what the breakout is? So of course the cheque was mailed and then there was the letter from the Premier. What was the cost for the Premier's letter both to print and then fold and then place into those envelopes?

Hon. Ms. Harpauer: — We don't have the breakdown from the provider that prepared the envelopes.

Mr. Wotherspoon: — You wouldn't have that costing? And I suspect there was a program decision. We can mail a cheque and then there's an additional piece that you've added. There must be a breakdown when making that decision as to what the cost would be for the Premier's letter.

Hon. Ms. Harpauer: — My officials are telling me that they don't have that detailed information from the provider. They can try and get it and provide it. But there needs to be an explanatory letter with this cheque. It's not just a . . . because people are going to wonder where the cheque came from if there wasn't an explanatory with it.

Mr. Wotherspoon: — Yeah, there'd be different ways to get instructions out to folks. The government chose to send a letter from the Premier, and I'm just not sure, of that four million how much that letter cost to get out.

But at this point in time I think I've asked all the questions I have with respect to this program.

The Chair: — Seeing no further questions from the committee, we'll move on to the votes. Vote 18, Finance. Revenue, subvote (FI05) in the amount of \$450,000,000, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[17:15]

The Chair: — Okay. Finance, vote 18 — \$450,000,000. I'll now ask a member to move the following resolution:

Resolved that there be granted to Her Majesty for the 12 months ending March 31st, 2023, the following sums for Finance in the amount of \$450,000,000.

Mr. Docherty has so moved. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

**General Revenue Fund
Supplementary Estimates — No. 1
Lending and Investing Activities
Municipal Financing Corporation of Saskatchewan
Vote 151**

The Chair: — We have vote 151, Municipal Financing Corporation of Saskatchewan, subvote (MF01) in the amount of \$40,000,000. There is no vote as this is statutory.

**General Revenue Fund
Supplementary Estimates — No. 1
Debt Redemption, Sinking Fund and Interest Payments
Debt Redemption
Vote 175**

The Chair: — Debt Redemption, vote 175 in the amount of 890,360,000. There is no vote as this is statutory.

**General Revenue Fund
Supplementary Estimates — No. 1
Debt Redemption, Sinking Fund and Interest Payments
Sinking Fund Payments — Government Share
Vote 176**

The Chair: — Sinking Fund Payments, Government Share, vote 176 in the amount of 7,180,000. There is no vote as this is statutory.

Okay. Well thank you, Minister and the officials. And have you got any closing comments, Minister?

Hon. Ms. Harpauer: — Just to comment thank you to everyone who are here giving of their time and answering the questions that are very important. Thank you to the officials and the committee members.

The Chair: — Thank you, Minister. Mr. Wotherspoon, do you have any closing comments?

Mr. Wotherspoon: — Thank you to the minister. Thank you to you, Mr. Chair, first — a very fine Chair — and thank you to the minister and all the officials that have joined us here tonight and all those that are involved in the work of Finance, day in, day out.

The Chair: — Well thank you. And now we will move on to lending and investing activities votes. We also have two lending and investing activity votes that are statutory.

**General Revenue Fund
Supplementary Estimates — No. 1
Lending and Investing Activities
Saskatchewan Power Corporation
Vote 152**

The Chair: — Vote 152, Saskatchewan Power Corporation vote. Loans, subvote (PW01) in the amount of \$287,200,000. There is no vote as this is statutory.

**General Revenue Fund
Supplementary Estimates — No. 1
Lending and Investing Activities
Saskatchewan Telecommunications Holding Corporation
Vote 153**

The Chair: — And vote 153, Saskatchewan Telecommunications Holding Corporation. Loans, subvote (ST01) in the amount of \$2,800,000. There is no vote as this is statutory.

Okay. Committee members, you have before you a draft of the fifth report of the Standing Committee on Crown and Central Agencies. We require a member to move the following motion:

That the fifth report of the Standing Committee on Crown and Central Agencies be adopted and presented to the Assembly.

Mr. Bonk has moved. Sorry, Mr. Docherty has moved. He had

his hand up first. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. That concludes our business for today. I will now ask a member to move a motion of adjournment. Mr. Bonk has so moved. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. This committee stands adjourned until Tuesday, December the 13th — the 13th's a lucky day — 2022 at 1:00 p.m.

[The committee adjourned at 17:21.]